



ANNUAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2018
OF THE CONDITION AND AFFAIRS OF THE
INTERNATIONAL FIDELITY INSURANCE COMPANY

NAIC Group Code 0225, 4705, NAIC Company Code 11592, Employer's ID Number 22-1010450
(Current Period) (Prior Period)

Organized under the Laws of New Jersey, State of Domicile or Port of Entry New Jersey

Country of Domicile US

Incorporated/Organized December 27, 1904, Commenced Business January 5, 1905

Statutory Home Office One Newark Center, Newark, New Jersey 07102-5207
(Street and Number, City or Town, State, Country and Zip Code)

Main Administrative Office One Newark Center, Newark, New Jersey 07102-5207, 973-624-7200
(Street and Number, City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address One Newark Center, Newark, New Jersey 07102-5207
(Street and Number or P. O. Box, City or Town, State, Country and Zip Code)

Primary Location of Books and Records One Newark Center, Newark, New Jersey 07102-5207, 973-624-7200
(Street and Number, City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Internet Website Address www.ific.com

Statutory Statement Contact Maria Dulce Costa, 973-776-8462
(Name) (Area Code) (Telephone Number) (Extension)

DCosta@IFIC.com, 973-733-2839
(E-Mail Address) (Fax Number)

OFFICERS

David Gerald Pirrung (President)
Michael David Blinson (Secretary)
John Michael Mruk (Treasurer)

OTHER OFFICERS

Adrian Oddi George Robert James Frank John Tanzola, Jr.

DIRECTORS OR TRUSTEES

Todd Eugene Bateson William Eugene Cunningham David Gerald Pirrung
Michael David Blinson Alisa Lyon Miller Kenneth Charles Coon
James Robert Miller

State of North Carolina }
County of Wake } SS

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions there from for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

David Gerald Pirrung
President

Michael David Blinson
Secretary

John Michael Mruk
Treasurer

Subscribed and sworn to before me this
22nd day of February, 2019

a. Is this an original filing? Yes (X) No ()

b. If no: 1. State the amendment number

2. Date filed

3. Number of pages attached

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D)	126,525,302		126,525,302	129,146,944
2. Stocks (Schedule D):				
2.1 Preferred stocks				
2.2 Common stocks	24,794,502		24,794,502	35,217,707
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens	344,840		344,840	354,803
3.2 Other than first liens				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances)				
4.2 Properties held for the production of income (less \$ encumbrances)				
4.3 Properties held for sale (less \$ encumbrances)				
5. Cash (\$ 11,980,162 , Schedule E-Part 1) , cash equivalents (\$ 30,260,324 , Schedule E-Part 2) and short-term investments (\$, Schedule DA)	42,240,486		42,240,486	19,878,873
6. Contract loans (including \$ premium notes)				
7. Derivatives (Schedule DB)				
8. Other invested assets (Schedule BA)				
9. Receivables for securities				
10. Securities lending reinvested collateral assets (Schedule DL)				
11. Aggregate write-ins for invested assets	18,400,278		18,400,278	21,934,273
12. Subtotals, cash and invested assets (Lines 1 to 11)	212,305,408		212,305,408	206,532,600
13. Title plants less \$ charged off (for Title insurers only)				
14. Investment income due and accrued	1,307,538		1,307,538	918,427
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	13,444,152	3,900,014	9,544,138	9,751,860
15.2 Deferred premiums , agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums)				
15.3 Accrued retrospective premiums (\$) and contracts subject to redetermination (\$)				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	83,650		83,650	(115,529)
16.2 Funds held by or deposited with reinsured companies				
16.3 Other amounts receivable under reinsurance contracts				
17. Amounts receivable relating to uninsured plans				
18.1 Current federal and foreign income tax recoverable and interest thereon	971,023		971,023	
18.2 Net deferred tax asset	2,395,735	1,097,194	1,298,541	2,545,704
19. Guaranty funds receivable or on deposit				
20. Electronic data processing equipment and software	423,280		423,280	138,265
21. Furniture and equipment , including health care delivery assets (\$)	298,612	298,612		
22. Net adjustment in assets and liabilities due to foreign exchange rates				
23. Receivables from parent , subsidiaries and affiliates	2,216,045		2,216,045	37,109
24. Health care (\$) and other amounts receivable				
25. Aggregate write-ins for other-than-invested assets				
26. Total assets excluding Separate Accounts , Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	233,445,443	5,295,820	228,149,623	219,808,436
27. From Separate Accounts , Segregated Accounts and Protected Cell Accounts				
28. Total (Lines 26 and 27)	233,445,443	5,295,820	228,149,623	219,808,436
DETAILS OF WRITE-INS				
1101. CASH VALUE OF LIFE INSURANCE	1,400,218		1,400,218	4,934,273
1102. FUNDS HELD AS COLLATERAL WITH EVEREST RE	17,000,000		17,000,000	17,000,000
1103. OTHER RECEIVABLE	60		60	
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	18,400,278		18,400,278	21,934,273
2501.				
2502.				
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page				
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)				

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE INTERNATIONAL FIDELITY INSURANCE COMPANY

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8)	8,729,241	5,279,222
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6)	1,255,433	1,078,655
3. Loss adjustment expenses (Part 2A, Line 35, Column 9)	3,910,677	3,559,438
4. Commissions payable, contingent commissions and other similar charges	1,731,782	1,386,906
5. Other expenses (excluding taxes, licenses and fees)	4,194,006	6,393,991
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	446,580	282,722
7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses))		58,761
7.2 Net deferred tax liability		
8. Borrowed money \$ and interest thereon \$		
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$ 9,077,692 and including warranty reserves of \$ and accrued accident and health experience rating refunds including \$ for medical loss ratio rebate per the Public Health Service Act)	38,599,862	36,204,847
10. Advance premium		
11. Dividends declared and unpaid:		
11.1 Stockholders		494,389
11.2 Policyholders	700,000	800,000
12. Ceded reinsurance premiums payable (net of ceding commissions)	2,452,973	2,089,984
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 20)	1,031	1,031
14. Amounts withheld or retained by company for account of others	70,169,700	60,144,796
15. Remittances and items not allocated		
16. Provision for reinsurance (including \$ certified) (Schedule F, Part 3 Column 78)	31,630	72,386
17. Net adjustments in assets and liabilities due to foreign exchange rates		
18. Drafts outstanding		
19. Payable to parent, subsidiaries and affiliates	46,354	57,862
20. Derivatives		
21. Payable for securities		
22. Payable for securities lending		
23. Liability for amounts held under uninsured plans		
24. Capital notes \$ and interest thereon \$		
25. Aggregate write-ins for liabilities	5,144	7,654,547
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	132,274,413	125,559,537
27. Protected cell liabilities		
28. Total liabilities (Lines 26 and 27)	132,274,413	125,559,537
29. Aggregate write-ins for special surplus funds		
30. Common capital stock	3,600,000	1,500,000
31. Preferred capital stock		
32. Aggregate write-ins for other than special surplus funds		
33. Surplus notes	16,000,000	16,000,000
34. Gross paid in and contributed surplus	374,600	374,600
35. Unassigned funds (surplus)	81,855,190	76,879,289
36. Less treasury stock, at cost:		
36.1 50,682 shares common (value included in Line 30 \$ 182,455)	5,954,580	504,990
36.2 shares preferred (value included in Line 31 \$)		
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39)	95,875,210	94,248,899
38. Totals (Page 2, Line 28, Col. 3)	228,149,623	219,808,436
DETAILS OF WRITE-INS		
2501. PENSION OBLIGATION		7,649,403
2502. LIABILITY FOR UNCASHED CHECKS	5,144	5,144
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page		
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	5,144	7,654,547
2901.		
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page		
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)		
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page		
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)		

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE INTERNATIONAL FIDELITY INSURANCE COMPANY

STATEMENT OF INCOME

UNDERWRITING INCOME	1	2
	Current Year	Prior Year
1. Premiums earned (Part 1, Line 35, Column 4)	100,308,775	100,087,522
DEDUCTIONS		
2. Losses incurred (Part 2, Line 35, Column 7)	8,975,750	6,341,054
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1)	7,130,825	5,599,433
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2)	75,836,338	77,748,054
5. Aggregate write-ins for underwriting deductions		
6. Total underwriting deductions (Lines 2 through 5)	91,942,913	89,688,541
7. Net income of protected cells		
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)	8,365,862	10,398,981
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17)	1,901,428	1,140,284
10. Net realized capital gains (losses) less capital gains tax of \$	(1,864,495)	1,911,501
11. Net investment gain (loss) (Lines 9 plus 10)	36,933	3,051,785
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$	20,043	(215,271)
13. Finance and service charges not included in premiums		
14. Aggregate write-ins for miscellaneous income	7,603	13,587
15. Total other income (Lines 12 through 14)	27,646	(201,684)
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8+11+15)	8,430,441	13,249,082
17. Dividends to policyholders	536,610	547,608
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	7,893,831	12,701,474
19. Federal and foreign income taxes incurred	438,582	4,196,770
20. Net income (Line 18 minus Line 19) (to Line 22)	7,455,249	8,504,704
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	94,248,899	89,108,820
22. Net income (from Line 20)	7,455,249	8,504,704
23. Net transfers (to) from Protected Cell accounts		
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$	(119,101)	(1,638,400)
25. Change in net unrealized foreign exchange capital gain (loss)		
26. Change in net deferred income tax	(1,868,161)	(2,020,893)
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Col. 3)	2,268,527	745,619
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)	40,756	(28,721)
29. Change in surplus notes		
30. Surplus (contributed to) withdrawn from protected cells		
31. Cumulative effect of changes in accounting principles		
32. Capital changes:		
32.1 Paid in		
32.2 Transferred from surplus (Stock Dividend)	2,100,000	
32.3 Transferred to surplus		
33. Surplus adjustments:		
33.1 Paid in		
33.2 Transferred to capital (Stock Dividend)	(2,100,000)	
33.3 Transferred from capital		
34. Net remittances from or (to) Home Office		
35. Dividends to stockholders	(949,343)	(1,226,352)
36. Change in treasury stock (Page 3, Line 36.1 and Line 36.2, Column 2 minus Column 1)	(5,449,590)	473,490
37. Aggregate write-ins for gains and losses in surplus	247,974	330,632
38. Change in surplus as regards policyholders for the year (Lines 22 through 37)	1,626,311	5,140,079
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37)	95,875,210	94,248,899
DETAILS OF WRITE-INS		
0501.		
0502.		
0503.		
0598. Summary of remaining write-ins for Line 5 from overflow page		
0599. Totals (Line 0501 through Line 0503 plus Line 0598) (Line 5 above)		
1401. MISCELLANEOUS INCOME	7,603	13,587
1402.		
1403.		
1498. Summary of remaining write-ins for Line 14 from overflow page		
1499. Totals (Line 1401 through Line 1403 plus Line 1498) (Line 14 above)	7,603	13,587
3701. Pension transition obligation	247,974	330,632
3702.		
3703.		
3798. Summary of remaining write-ins for Line 37 from overflow page		
3799. Totals (Line 3701 through Line 3703 plus Line 3798) (Line 37 above)	247,974	330,632

CASH FLOW

	1	2
	Current Year	Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	104,202,105	101,887,209
2. Net investment income	2,090,896	1,380,887
3. Miscellaneous income	(7,629,261)	728,534
4. Total (Lines 1 through 3)	98,663,740	103,996,630
5. Benefit and loss related payments	12,504,497	9,817,228
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	77,277,242	75,976,572
8. Dividends paid to policyholders	636,610	547,608
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)	1,468,366	4,293,618
10. Total (Lines 5 through 9)	91,886,715	90,635,026
11. Net cash from operations (Line 4 minus Line 10)	6,777,025	13,361,604
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	63,416,819	28,057,579
12.2 Stocks	11,224,379	30,670,020
12.3 Mortgage loans	9,963	9,693
12.4 Real estate		
12.5 Other invested assets		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments		
12.7 Miscellaneous proceeds		
12.8 Total investment proceeds (Lines 12.1 to 12.7)	74,651,161	58,737,292
13. Cost of investments acquired (long-term only):		
13.1 Bonds	62,767,215	41,350,939
13.2 Stocks	1,391,312	30,624,932
13.3 Mortgage loans		
13.4 Real estate		
13.5 Other invested assets		
13.6 Miscellaneous applications		
13.7 Total investments acquired (Line 13.1 through Line 13.6)	64,158,527	71,975,871
14. Net increase (decrease) in contract loans and premium notes		
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	10,492,634	(13,238,579)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes		
16.2 Capital and paid in surplus, less treasury stock	(5,449,590)	473,490
16.3 Borrowed funds		
16.4 Net deposits on deposit-type contracts and other insurance liabilities		
16.5 Dividends to stockholders	1,443,732	966,145
16.6 Other cash provided (applied)	11,985,273	(6,961,769)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to Line 16.4 minus Line 16.5 plus Line 16.6)	5,091,951	(7,454,424)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Lines 11 plus 15 plus 17)	22,361,610	(7,331,399)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	19,878,875	27,210,274
19.2 End of year (Line 18 plus Line 19.1)	42,240,485	19,878,875
Note: Supplemental disclosures of cash flow information for non-cash transactions:		
20.0001		
20.0002		
20.0003		
20.0004		
20.0005		
20.0006		
20.0007		
20.0008		
20.0009		
20.0010		

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

Line of Business	1 Net Premiums Written per Col. 6, Part 1B	2 Unearned Premiums December 31 Prior Year- per Col. 3, Last Year's Part 1	3 Unearned Premiums December 31 Current Year- per Col. 5 Part 1A	4 Premiums Earned During Year (Cols. 1+2-3)
1. Fire				
2. Allied lines				
3. Farmowners multiple peril				
4. Homeowners multiple peril				
5. Commercial multiple peril				
6. Mortgage guaranty				
8. Ocean marine				
9. Inland marine				
10. Financial guaranty				
11.1 Medical professional liability - occurrence				
11.2 Medical professional liability - claims-made				
12. Earthquake				
13. Group accident and health				
14. Credit accident and health (group and individual)				
15. Other accident and health				
16. Workers' compensation				
17.1 Other liability - occurrence				
17.2 Other liability - claims-made				
17.3 Excess workers' compensation				
18.1 Products liability - occurrence				
18.2 Products liability - claims-made				
19.1, 19.2 Private passenger auto liability				
19.3, 19.4 Commercial auto liability				
21. Auto physical damage				
22. Aircraft (all perils)				
23. Fidelity	128,548	165,723	171,042	123,229
24. Surety	102,575,242	36,039,124	38,428,820	100,185,546
26. Burglary and theft				
27. Boiler and machinery				
28. Credit				
29. International				
30. Warranty				
31. Reinsurance - nonproportional Assumed Property				
32. Reinsurance - nonproportional Assumed Liability				
33. Reinsurance - nonproportional Assumed Financial Lines				
34. Aggregate write-ins for other lines of business				
35. TOTALS	102,703,790	36,204,847	38,599,862	100,308,775
DETAILS OF WRITE-INS				
3401.				
3402.				
3403.				
3498. Summary of remaining write-ins for Line 34 from overflow page				
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)				

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A-RECAPITULATION OF ALL PREMIUMS

Line of Business	1 Amount Unearned (Running One Year or Less from Date of Policy) (a)	2 Amount Unearned (Running More Than One Year from Date of Policy) (a)	3 Earned but Unbilled Premium	4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience	5 Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1. Fire					
2. Allied lines					
3. Farmowners multiple peril					
4. Homeowners multiple peril					
5. Commercial multiple peril					
6. Mortgage guaranty					
8. Ocean marine					
9. Inland marine					
10. Financial guaranty					
11.1 Medical professional liability - occurrence					
11.2 Medical professional liability - claims-made					
12. Earthquake					
13. Group accident and health					
14. Credit accident and health (group and individual)					
15. Other accident and health					
16. Workers' compensation					
17.1 Other liability - occurrence					
17.2 Other liability - claims-made					
17.3 Excess workers' compensation					
18.1 Products liability - occurrence					
18.2 Products liability - claims-made					
19.1, 19.2 Private passenger auto liability					
19.3, 19.4 Commercial auto liability					
21. Auto physical damage					
22. Aircraft (all perils)					
23. Fidelity	5,636	165,406			171,042
24. Surety	27,346,387	11,082,433			38,428,820
26. Burglary and theft					
27. Boiler and machinery					
28. Credit					
29. International					
30. Warranty					
31. Reinsurance - Nonproportional Assumed Property					
32. Reinsurance - Nonproportional Assumed Liability					
33. Reinsurance - Nonproportional Assumed Financial Lines					
34. Aggregate write-ins for other lines of business					
35. TOTALS	27,352,023	11,247,839			38,599,862
36. Accrued retrospective premiums based on experience					
37. Earned but unbilled premiums					
38. Balance (Sum of Lines 35 through 37)					38,599,862
DETAILS OF WRITE-INS					
3401.					
3402.					
3403.					
3498. Summary of remaining write-ins for Line 34 from overflow page					
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)					

(a) State here basis of computation used in each case.
Premiums are earned on a pro-rata basis over the life of the bond.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B-PREMIUMS WRITTEN

Line of Business	1 Direct Business (a)	Reinsurance Assumed		Reinsurance Ceded		6 Net Premiums Written Cols. 1 + 2 + 3 - 4 - 5
		2 From Affiliates	3 From Non-Affiliates	4 To Affiliates	5 To Non-Affiliates	
1. Fire						
2. Allied lines						
3. Farmowners multiple peril						
4. Homeowners multiple peril						
5. Commercial multiple peril						
6. Mortgage guaranty						
8. Ocean marine						
9. Inland marine						
10. Financial guaranty						
11.1 Medical professional liability - occurrence						
11.2 Medical professional liability - claims-made						
12. Earthquake						
13. Group accident and health						
14. Credit accident and health (group and individual)						
15. Other accident and health						
16. Workers' compensation						
17.1 Other liability - occurrence						
17.2 Other liability - claims-made						
17.3 Excess workers' compensation						
18.1 Products liability - occurrence						
18.2 Products liability - claims-made						
19.1, 19.2 Private passenger auto liability						
19.3, 19.4 Commercial auto liability						
21. Auto physical damage						
22. Aircraft (all perils)						
23. Fidelity	128,842				294	128,548
24. Surety	115,346,401	8,393,716	187,319		21,352,194	102,575,242
26. Burglary and theft						
27. Boiler and machinery						
28. Credit						
29. International						
30. Warranty						
31. Reinsurance - nonproportional assumed property	X X X					
32. Reinsurance - nonproportional assumed liability	X X X					
33. Reinsurance - nonproportional assumed financial lines	X X X					
34. Aggregate write-ins for other lines of business						
35. TOTALS	115,475,243	8,393,716	187,319		21,352,488	102,703,790
DETAILS OF WRITE-INS						
3401.						
3402.						
3403.						
3498. Summary of remaining write-ins for Line 34 from overflow page						
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)						

(a) Does the company's direct premiums written include premiums recorded on an installment basis? Yes () No (X)
If yes: 1. The amount of such installment premiums \$
2. Amount at which such installment premiums would have been reported had they been recorded on an annualized basis \$

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

Line of Business	Losses Paid Less Salvage				5	6	7	8
	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Cols. 1+2-3)	Net Losses Unpaid Current Year (Part 2A, Col. 8)	Net Losses Unpaid Prior Year	Losses Incurred Current Year (Cols. 4+5-6)	Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
1. Fire								
2. Allied lines								
3. Farmowners multiple peril								
4. Homeowners multiple peril								
5. Commercial multiple peril								
6. Mortgage guaranty								
8. Ocean marine								
9. Inland marine								
10. Financial guaranty								
11.1 Medical professional liability - occurrence								
11.2 Medical professional liability - claims-made								
12. Earthquake								
13. Group accident and health								
14. Credit accident and health (group and individual)								
15. Other accident and health								
16. Workers' compensation								
17.1 Other liability - occurrence								
17.2 Other liability - claims-made								
17.3 Excess workers' compensation								
18.1 Products liability - occurrence								
18.2 Products liability - claims-made								
19.1, 19.2 Private passenger auto liability								
19.3, 19.4 Commercial auto liability								
21. Auto physical damage								
22. Aircraft (all perils)								
23. Fidelity					17,478	16,813	665	(0.2)
24. Surety	1,968,508	2,829,423	(727,800)	5,525,731	8,711,763	5,262,409	8,975,085	9.0
26. Burglary and theft								
27. Boiler and machinery								
28. Credit								
29. International								
30. Warranty								
31. Reinsurance - nonproportional assumed property	X X X							
32. Reinsurance - nonproportional assumed liability	X X X							
33. Reinsurance - nonproportional assumed financial lines	X X X							
34. Aggregate write-ins for other lines of business								
35. TOTALS	1,968,508	2,829,423	(727,800)	5,525,731	8,729,241	5,279,222	8,975,750	8.9
DETAILS OF WRITE-INS								
3401.								
3402.								
3403.								
3498. Summary of remaining write-ins for Line 34 from overflow page								
3499. Totals (Lines 3401 through 3403 + 3498) (Line 34 above)								

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE INTERNATIONAL FIDELITY INSURANCE COMPANY

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

Line of Business	Reported Losses				Incurred But Not Reported			8	9
	1 Direct	2 Reinsurance Assumed	3 Deduct Reinsurance Recoverable	4 Net Losses Excluding Incurred But Not Reported (Cols. 1+2-3)	5 Direct	6 Reinsurance Assumed	7 Reinsurance Ceded	Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	Net Unpaid Loss Adjustment Expenses
1. Fire									
2. Allied lines									
3. Farmowners multiple peril									
4. Homeowners multiple peril									
5. Commercial multiple peril									
6. Mortgage guaranty									
8. Ocean marine									
9. Inland marine									
10. Financial guaranty									
11.1 Medical professional liability - occurrence									
11.2 Medical professional liability - claims-made									
12. Earthquake									
13. Group accident and health								(a)	
14. Credit accident and health (group and individual)								(a)	
15. Other accident and health									
16. Workers' compensation									
17.1 Other liability - occurrence									
17.2 Other liability - claims-made									
17.3 Excess workers' compensation									
18.1 Products liability - occurrence									
18.2 Products liability - claims-made									
19.1, 19.2 Private passenger auto liability									
19.3, 19.4 Commercial auto liability									
21. Auto physical damage									
22. Aircraft (all perils)									
23. Fidelity					17,935		458	17,477	3,587
24. Surety	(3,117,541)	(1,234,189)	(1,818,590)	(2,533,140)	12,986,573	759,295	2,500,964	8,711,764	3,907,090
26. Burglary and theft									
27. Boiler and machinery									
28. Credit									
29. International									
30. Warranty									
31. Reinsurance - nonproportional Assumed Property	X X X				X X X				
32. Reinsurance - nonproportional Assumed Liability	X X X				X X X				
33. Reinsurance - nonproportional Assumed Financial Lines	X X X				X X X				
34. Aggregate write-ins for other lines of business									
35. TOTALS	(3,117,541)	(1,234,189)	(1,818,590)	(2,533,140)	13,004,508	759,295	2,501,422	8,729,241	3,910,677
DETAILS OF WRITE-INS									
3401.									
3402.									
3403.									
3498. Summary of remaining write-ins for Line 34 from overflow page									
3499. Totals (Lines 3401 through 3403+3498) (Line 34 above)									

(a) Including \$ for present value of life indemnity claims.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	1	2	3	4
	Loss Adjustment Expenses	Other Underwriting Expenses	Investment Expenses	Total
1. Claim adjustment services:				
1.1 Direct	2,539,138			2,539,138
1.2 Reinsurance assumed	623,617			623,617
1.3 Reinsurance ceded	1,114,775			1,114,775
1.4 Net claim adjustment services (1.1+1.2-1.3)	2,047,980			2,047,980
2. Commission and brokerage:				
2.1 Direct excluding contingent		41,113,710		41,113,710
2.2 Reinsurance assumed excluding contingent		2,081,845		2,081,845
2.3 Reinsurance ceded excluding contingent		9,468,130		9,468,130
2.4 Contingent - direct		1,373,793		1,373,793
2.5 Contingent - reinsurance assumed		(40,768)		(40,768)
2.6 Contingent - reinsurance ceded		1,046,017		1,046,017
2.7 Policy and membership fees				
2.8 Net commission and brokerage (2.1+2.2-2.3+2.4+2.5-2.6+2.7)		34,014,433		34,014,433
3. Allowances to manager and agents		251,811		251,811
4. Advertising		65,467		65,467
5. Boards, bureaus and associations		139,560		139,560
6. Surveys and underwriting reports		194,358		194,358
7. Audit of assureds' records				
8. Salary and related items:				
8.1 Salaries	3,422,842	24,774,490	402,283	28,599,615
8.2 Payroll taxes	247,222	1,789,394	29,056	2,065,672
9. Employee relations and welfare	163,005	1,179,831	19,158	1,361,994
10. Insurance	31,336	231,064	3,743	266,143
11. Directors' fees	9,644	70,199	1,139	80,982
12. Travel and travel items	231,100	1,704,050	27,610	1,962,760
13. Rent and rent items	350,461	2,550,969	41,372	2,942,802
14. Equipment	49,227	356,310	5,789	411,326
15. Cost or depreciation of EDP equipment and software	12,986	93,994	1,526	108,506
16. Printing and stationery	66,420	480,742	7,806	554,968
17. Postage, telephone and telegraph, exchange and express	63,892	462,448	7,509	533,849
18. Legal and auditing	182,811	1,330,653	21,581	1,535,045
19. Totals (Lines 3 to 18)	4,830,946	35,675,340	568,572	41,074,858
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$		3,074,172		3,074,172
20.2 Insurance department licenses and fees		667,367	9,540	676,907
20.3 Gross guaranty association assessments		594		594
20.4 All other (excluding federal and foreign income and real estate)		581,151		581,151
20.5 Total taxes, licenses and fees (20.1+20.2+20.3+20.4)		4,323,284	9,540	4,332,824
21. Real estate expenses				
22. Real estate taxes				
23. Reimbursements by uninsured plans				
24. Aggregate write-ins for miscellaneous expenses	251,898	1,823,280	337,885	2,413,063
25. Total expenses incurred	7,130,824	75,836,337	915,997	(a) 83,883,158
26. Less unpaid expenses - current year	3,910,677	5,978,449		9,889,126
27. Add unpaid expenses - prior year	3,559,438	7,975,234		11,534,672
28. Amounts receivable relating to uninsured plans, prior year				
29. Amounts receivable relating to uninsured plans, current year				
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29)	6,779,585	77,833,122	915,997	85,528,704
DETAILS OF WRITE-INS				
2401. Computer Services	76,394	552,940	8,978	638,312
2402. Other Expenses	174,259	1,261,278	328,760	1,764,297
2403. Contributions	1,245	9,062	147	10,454
2498. Summary of remaining write-ins for Line 24 from overflow page				
2499. Totals (Lines 2401 through 2403 plus Line 2498) (Line 24 above)	251,898	1,823,280	337,885	2,413,063

(a) Includes management fees of \$ 251,811 to affiliates and \$ to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

	1	2
	Collected During Year	Earned During Year
1. U. S. Government bonds	(a) 375,605	264,164
1.1 Bonds exempt from U. S. tax	(a) 434,093	359,105
1.2 Other bonds (unaffiliated)	(a) 1,470,295	1,993,764
1.3 Bonds of affiliates	(a)	
2.1 Preferred stocks (unaffiliated)	(b)	
2.11 Preferred stocks of affiliates	(b)	
2.2 Common stocks (unaffiliated)		
2.21 Common stocks of affiliates	348,369	348,369
3. Mortgage loans	(c) 9,632	9,632
4. Real estate	(d)	
5. Contract loans		
6. Cash, cash equivalents and short-term investments	(e) 531,789	531,200
7. Derivative instruments	(f)	
8. Other invested assets		
9. Aggregate write-ins for investment income	207,035	259,696
10. Total gross investment income	3,376,818	3,765,930
11. Investment expenses		(g) 906,457
12. Investment taxes, licenses and fees, excluding federal income taxes		(g) 9,540
13. Interest expense		(h) 948,506
14. Depreciation on real estate and other invested assets		(i)
15. Aggregate write-ins for deductions from investment income		
16. Total deductions (Lines 11 through 15)		1,864,503
17. Net investment income (Line 10 minus Line 16)		1,901,427
DETAILS OF WRITE-INS		
0901. Interest on funds held as collateral by Everest Re.	207,035	259,696
0902.		
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page		
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)	207,035	259,696
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		
1599. Totals (Lines 1501 through 1503 plus 1598) (Line 15 above)		
(a) Includes \$ 75,606 accrual of discount less \$ 654,185 amortization of premium and less \$ 701,240 paid for accrued interest on purchases.		
(b) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued dividends on purchases.		
(c) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.		
(d) Includes \$ for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.		
(e) Includes \$ 122,698 accrual of discount less \$ amortization of premium and less \$ 19,514 paid for accrued interest on purchases.		
(f) Includes \$ accrual of discount less \$ amortization of premium.		
(g) Includes \$ investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.		
(h) Includes \$ interest on surplus notes and \$ interest on capital notes.		
(i) Includes \$ depreciation on real estate and \$ depreciation on other invested assets.		

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1	2	3	4	5
	Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U. S. Government bonds	(450,702)		(450,702)		
1.1 Bonds exempt from U. S. tax	14,468		14,468		
1.2 Other bonds (unaffiliated)	(957,224)		(957,224)		
1.3 Bonds of affiliates					
2.1 Preferred stocks (unaffiliated)					
2.11 Preferred stocks of affiliates					
2.2 Common stocks (unaffiliated)	(471,037)		(471,037)	357,614	
2.21 Common stocks of affiliates				(476,715)	
3. Mortgage loans					
4. Real estate					
5. Contract loans					
6. Cash, cash equivalents and short-term investments					
7. Derivative instruments					
8. Other invested assets					
9. Aggregate write-ins for capital gains (losses)					
10. Total capital gains (losses)	(1,864,495)		(1,864,495)	(119,101)	
DETAILS OF WRITE-INS					
0901.					
0902.					
0903.					
0998. Summary of remaining write-ins for Line 9 from overflow page					
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)					

EXHIBIT OF NONADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)			
2. Stocks (Schedule D):			
2.1 Preferred stocks			
2.2 Common stocks			
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens			
3.2 Other than first liens			
4. Real estate (Schedule A):			
4.1 Properties occupied by the company			
4.2 Properties held for the production of income			
4.3 Properties held for sale			
5. Cash (Schedule E-Part 1) , cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA)			
6. Contract loans			
7. Derivatives (Schedule DB)			
8. Other invested assets (Schedule BA)			
9. Receivables for securities			
10. Securities lending reinvested collateral assets (Schedule DL)			
11. Aggregate write-ins for invested assets			
12. Subtotals, cash and invested assets (Lines 1 to 11)			
13. Title plants (for Title insurers only)			
14. Investment income due and accrued			
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection	3,900,013	4,827,619	927,606
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due			
15.3 Accrued retrospective premiums and contracts subject to redetermination			
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers			
16.2 Funds held by or deposited with reinsured companies			
16.3 Other amounts receivable under reinsurance contracts			
17. Amounts receivable relating to uninsured plans			
18.1 Current federal and foreign income tax recoverable and interest thereon			
18.2 Net deferred tax asset	1,097,194	1,718,192	620,998
19. Guaranty funds receivable or on deposit			
20. Electronic data processing equipment and software		592,908	592,908
21. Furniture and equipment, including health care delivery assets	298,612	425,627	127,015
22. Net adjustment in assets and liabilities due to foreign exchange rates			
23. Receivables from parent, subsidiaries and affiliates			
24. Health care and other amounts receivable			
25. Aggregate write-ins for other-than-invested assets			
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	5,295,819	7,564,346	2,268,527
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
28. Total (Lines 26 and 27)	5,295,819	7,564,346	2,268,527
DETAILS OF WRITE-INS			
1101.			
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page			
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)			
2501.			
2502.			
2503.			
2598. Summary of remaining write-ins for Line 25 from overflow page			
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)			

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE INTERNATIONAL FIDELITY INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

Note 1 – Summary of Significant Accounting Policies and Going Concern

A. Accounting Practices

The accompanying financial statements of International Fidelity Insurance Company (The "Company "or "IFIC") have been completed in accordance with the NAIC Accounting Practices and Procedures Manual and the Statements of Statutory Accounting Principles.

The New Jersey Department of Banking and Insurance recognizes only statutory accounting practices prescribed or permitted by the state of New Jersey for determining and reporting the financial condition and results of operations of an insurance company, and for determining its solvency under New Jersey Insurance Law. The National Association of Insurance Commissioners' ("NAIC") Accounting Practices and Procedures Manual, version effective January 1, 2001, ("NAIC SAP") has been adopted as a component of prescribed or permitted practices by the state of New Jersey to the extent that it does not conflict with New Jersey prescribed or permitted practices.

The Company, with the explicit permission of the New Jersey Department of Banking and Insurance (NJDOBI), earns bail premium on the first day the bond is issued. If the bail was earned on the basis prescribed by the NAIC, surplus (net of taxes) would decrease by \$1,310,834 at December 31, 2018 and surplus at December 31, 2017 would have decreased by \$1,089,974. Additionally, net income (net of taxes) would decrease by \$220,860 for the 12 months ended December 31, 2018 and increase by \$87,809 for the year ended December 31, 2017.

The Company also received a permitted practice from NJDOBI to allow bail premium on a net basis (premium reported from the MGA). This permitted practice has no impact on the financial statements of the Company as it does not change the manner in which written premium has been reported in 2018 and prior years.

A reconciliation of the Company's net income and policyholder's surplus between the amounts reported in the accompanying financial statements (NJ basis) and (NAIC SAP) are as follows:

	SSAP #	F/S Page #	F/S Line #	Year Ended Dec 2018	Year Ended Dec 2017
<u>Net Income</u>					
Net Income, NJ Basis				\$ 7,455,249	\$ 8,504,705
Effect of Bail earned premium permitted practice, net of taxes	53	4	1	(220,860)	87,809
Net Income, NAIC basis				7,234,389	8,592,514
<u>Surplus</u>				Dec-18	Dec-17
Policyholders' Surplus, NJ Basis				\$95,875,210	\$ 94,248,899
Effect of Bail earned premium permitted practice, net of taxes	53	3	35	(1,310,834)	(1,089,974)
Policyholders' Surplus, NAIC Basis				94,564,376	93,158,925

B. Use of Estimates in the Preparation of the Financial Statements

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. It also requires estimates in the disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

C. Accounting Policies

Premiums are earned over the terms of the related insurance policies and reinsurance contracts except for bail business (see Note 1A). Unearned premium reserves are established to cover the unexpired portion of premiums written. Such reserves are computed by pro rata methods. Expenses incurred in connection with acquiring new business, including acquisition costs such as sales commissions, are charged to operations as incurred. Expenses incurred are reduced for ceding allowances received or receivable.

In addition, the Company uses the following accounting policies:

1. Basis for Short-Term Investments
- Short-term investments are stated at amortized value using the interest method.
2. Basis for Bonds and Amortization Schedule
- Bonds not backed by other loans are stated at amortized cost using the scientific interest method. Bonds not backed by other loans containing call provisions are amortized, using the scientific interest method, to the call or maturity value/date which produces the lowest asset value (yield to worst).
3. Basis for Common Stocks
- Common stocks are stated at their fair value.
4. Basis for Preferred Stocks
- The Company does not have any investments in Preferred Stocks
5. Basis for Mortgage Loans
- Mortgage loans on real estate are stated at the aggregate unpaid balance
6. Basis for Loan-Backed Securities and Adjustment Methodology
- Loan-backed securities are valued at amortized cost. The Company uses the prospective method to value all such securities.

NOTES TO FINANCIAL STATEMENTS

7. Accounting Policies for Investments in Subsidiaries, Controlled and Affiliated Entities
International Fidelity Insurance Company acquired The Chestnut Group ("TCG"). TCG's sole holding is its equity in Allegheny Casualty Company ("ACC"), a New Jersey domiciled Insurance Company. TCG is a non-insurance holding company and is stated at statutory equity value. The acquisition was accounted for using the statutory purchase method and is described further in Note 3A. Goodwill arising from the acquisition of this subsidiary is amortized over a period of ten years. Unamortized goodwill at December 31, 2018 is \$1,142,475.
8. Accounting Policies for Investments in Joint Ventures, Partnerships and Limited Liability Entities
The Company does not have any investments in joint ventures, partnerships or limited liability entities.
9. Accounting Policies for Derivatives
The Company does not have any investments in derivatives.
10. Anticipated Investment Income Used in Premium Deficiency Calculation
Premium deficiency calculations are not used for the surety line of business
11. Management's Policies and Methodologies for Estimating Liabilities for Losses and Loss/Claim Adjustment Expenses
Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liabilities are continually reviewed and any adjustments are reflected in the period determined.
12. Changes in the Capitalization Policy and Predefined Thresholds from Prior Period
The Company has not modified its capitalization policy from the prior period
13. Method Used to Estimate Pharmaceutical Rebate Receivables
The Company does not write medical insurance
- D. Going Concern – None

Note 2 – Accounting Changes and Correction of Errors

- A. Changes in Accounting Principles and/or Correction of Errors - None

Note 3 – Business Combination and Goodwill

- A. Statutory Purchase Method
The Company purchased 100% of TCG (a non-insurance subsidiary) on October 1, 2009. TCG's sole holding is its equity in ACC. ACC is an insurance company writing surety business and is licensed in fifty states, the District of Columbia and Puerto Rico. The purchase of TCG was accounted for as a statutory purchase.

The cost of the acquisition was \$30,499,872, resulting in goodwill of \$14,877,381 of which \$1,142,475 is unamortized at the end of the current period. (See Note 10I). The goodwill is amortized over 10 years and the amortization for the year ended December 31, 2018 was \$1,487,482 and for the year ended December 2017 was \$1,487,742 The amortization is recorded as a component of the change in net unrealized capital gains (losses)
- B. Statutory Merger – NONE
- C. Impairment Loss - NONE

Note 4 – Discontinued Operations - None

Note 5 – Investments

- A. Mortgage Loans, Including Mezzanine Real Estate Loans
1. Maximum and Minimum Lending Rates
No new mortgage loans were granted during 2018 and 2017. The Company did not reduce interest rates on any outstanding mortgage loans.
2. The maximum percentage of any one loan to the value of the security at the time of the loan was 72.7% in 2012.
3. Taxes, assessments and any amounts advanced and not included in the mortgage loan total – None
4. Age Analysis of Mortgage Loans:

	Residential - All Other	Total
a: Current Year		
1. Recorded Investment		
(a) Current	344,840	344,840
(b) - (e) Past due	-	-
2-4 - None		
a: Prior Year		
1. Recorded Investment		
(a) Current	354,803	354,803
(b) - (e) Past due	0	0
2-4 - None		

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE INTERNATIONAL FIDELITY INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

5. - 9. There were no impaired mortgage loans or allowances for credit losses on mortgage loans.

B. Debt Restructuring - None

C. Reverse Mortgage - None

D. Loan - Backed and Structured Securities

1. Description of Sources Used to Determine Prepayment Assumptions
Prepayment assumptions for loan-backed and structured securities were obtained from broker dealer survey values.
2. Impairments of Loan-backed securities
All loaned-backed securities in an unrealized loss position were reviewed to determine whether other-than-temporary impairments should be recognized. There were no impaired loan-backed securities at December 31, 2018.
3. Recognized OTTI securities – None
4. All impaired securities (fair value is less than cost or amortized cost) for which an other-than-temporary impairment has not been recognized in earnings as a realized loss (including securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest related impairment remains):

a. The aggregate amount of unrealized losses:	1. Less than 12 Months	16,621
	2. 12 Months or Longer	125,937
b. The aggregate related fair value of securities with unrealized losses:	1. Less than 12 Months	973,720
	2. 12 Months or Longer	7,202,148

5. Information Investor Considered in Reaching Conclusion that Impairments are Not Other-Than-Temporary
All loaned-backed securities in an unrealized loss position were reviewed to determine whether other-than-temporary impairments should be recognized. The Company asserts that it has the intent and ability to hold these securities long enough to allow the cost basis of these securities to be recovered.

E. Dollar Repurchase Agreements and/or Securities Lending Transactions - NONE

F. Repurchase Agreements Transactions Accounted for as Secured Borrowing - NONE

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing - NONE

H. Repurchase Agreements Transactions Accounted for as a Sale – NONE

3. Reverse Repurchase Agreements Transactions Accounted for as a Sale - NONE

J. Real Estate - None

K. Investment in Low-Income Housing Tax Credits – None

L. Restricted Assets

1. Restricted Assets (Including Pledged)

Current Year					Percentage %	
Restricted Asset Category	Total General Account (G/A)	Total From Prior Year	Increase/ Decrease	Total Current Year Admitted Restricted	Gross Restricted to Total Assets	Admitted Restricted to Total Admitted Assets
On deposit with States	17,205,038	17,451,853	(246,815)	17,205,038	7.37%	7.54%
Other Restriced Assets	17,000,000	17,000,000	-	17,000,000	7.28%	7.45%
Total Restricted Assets	34,205,038	34,451,853	(246,815)	34,205,038	14.65%	14.99%

2. Other Items Pledged as Collateral – None

2. Other Restricted Assets

Everest Re (Powers program)	17,000,000	17,000,000	-	17,000,000	7.28%	7.45%
Total	17,000,000	17,000,000	-	17,000,000	7.28%	7.45%

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE INTERNATIONAL FIDELITY INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

4. Collateral Received and Reflected as Assets on the Financial Statement

Collateral Assets	Book/ Adj Carrying Value	Fair Value	% of BACV to Total Assets (admitted and non-admitted)	% of BACV to Total Admitted Assets
a. Cash, Cash Equivalents, and Short-Term Investments	19,419,604	19,419,604	8.32%	8.51%
b. Sched D, Part 1	50,680,882	49,876,178	21.71%	22.21%
c. Sched D, Part 2, Sec 1	-	-	-	
d. Sched D, Part 2, Sec 2	-	-	-	
e. Sched B	-	-	-	
f. Sched A	-	-	-	
g. Sched BA	-	-	-	
h. Sched DL	-	-	-	
i. Other	-	-		
j. Total Collateral Assets	70,100,486	69,295,783	30.04%	30.72%
		Amount	% to Total Liabilities	
		70,100,486		
k. Recognized Obligation to Return Collateral			53.0%	

- M. Working Capital Finance Investments - None
- N. Offsetting & Netting of Assets and Liabilities - None
- O. Structured Notes – None
- P. 5GI Securities – None
- Q. Short Sales – None
- R. Prepayment Penalty and Acceleration Fees - None

Note 6 – Joint Ventures, Partnerships and Limited Liability Companies - None

Note 7 – Investment Income

- A. The bases, by category of investment income, for excluding (non-admitting) any investment income due and accrued:
The Company non-admits investment income due and accrued if amounts are over 90 days past due (180 days for mortgage loans or amounts on mortgage loans in default).
- B. Total Amounts Excluded - NONE

Note 8 – Derivative Instruments

In 2018 and 2017, the Company did not own any derivative investments.

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE INTERNATIONAL FIDELITY INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

Note 9 – Income Taxes

A. Components of the Net Deferred Tax Assets (DTA's) and Net Deferred Tax Liabilities (DTL's)

1. Components of Net Deferred Tax Assets (Liability)

	December 31, 2018				December 31, 2017		
	Ordinary	Capital	Total		Ordinary	Capital	Total
Gross Deferred Tax Assets	2,587,773	6,207,450	8,795,223		4,310,279	6,312,127	10,622,406
Statutory Valuation Allowance		(6,207,450)	(6,207,450)			(6,312,127)	(6,312,127)
Adjusted Gross deferred tax Assets	2,587,773	-	2,587,773		4,310,279	-	4,310,279
Deferred Tax Assets Non-Admitted	(1,097,194)	-	(1,097,194)		(1,718,192)	-	(1,718,192)
Net Admitted Deferred Tax Assets	1,490,579	-	1,490,579		2,592,087	-	2,592,087
Deferred Tax Liabilities	(192,037)		(192,037)		(46,383)		(46,383)
Net admitted tax Asset/Liability	1,298,542	-	1,298,542		2,545,704	-	2,545,704
	Change from December 2017						
	Ordinary	Capital	Total				
Gross Deferred Tax Assets	(1,722,506)	(104,677)	(1,827,183)				
Statutory Valuation Allowance		104,677	104,677				
Adjusted Gross deferred tax Assets	(1,722,506)	-	(1,722,506)				
Deferred Tax Assets Non-Admitted	620,998	-	620,998				
Net Admitted Deferred Tax Assets	(1,101,508)	-	(1,101,508)				
Deferred Tax Liabilities	(145,654)		(145,654)				
Net admitted tax Asset/Liability	(1,247,162)	-	(1,247,162)				

Change in Tax Components

3. Admission Calculation Components per SSAP no. 101

	December 31, 2018			December 31, 2017			Change
	Ordinary	Capital	Total	Ordinary	Capital	Total	
Federal Income Taxes Paid in Prior Years Recoverable through Loss Carrybacks	735,803		735,803	2,482,616		2,482,616	(1,746,813)
Adjusted Gross Deferred Tax Assets Expected to be realized (Exclude the amounts of deferred Tax Assets from 2(a) above) after application of the threshold limitation	562,738		562,738	63,088		63,088	499,650
Adjusted Gross Deferred Tax Assets (Excluding the amount of Deferred Tax Assets from 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities	192,037		192,037	46,383		46,383	145,654
Deferred tax asset Admitted as the result of application of SSAP No. 101 Total (2a+2b+2c)	1,490,579		1,490,579	2,592,087		2,592,087	(1,101,509)

- a) Amount of adjusted capital and surplus used to determine recovery period and threshold limitation - \$88,170,237
- b) Impact of Tax Planning Strategies – N/A

B. Deferred Tax Liabilities Not Recognized - None

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE INTERNATIONAL FIDELITY INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

C. Current and Deferred Income Taxes

a) Current Income Tax

	December 31, 2018	December 31, 2017
Federal	1,045,220	4,158,546
Federal tax on Net capital gains	(495,354)	0
Utilization of capital loss carryforwards	(104,677)	
Prior year true-up	(6,606)	38,224
Total Federal and Foreign income taxes incurred	438,582	4,196,770

	Dec-18	Dec-17	Difference
2. Deferred Tax Assets			
Ordinary			
Discounting of Unpaid Losses	84,867	68,879	15,988
Unearned Premium Reservie	1,621,194	1,520,603	100,591
Fixed Assets	62,709	25,523	37,186
Pension Accrual	-	1,606,375	(1,606,375)
Investments	-	75,099	(75,099)
Recievables - Non-admitted	819,003	1,013,800	(194,797)
Allowance for doubtful accounts	-	-	-
Subtotal - Ordinary	2,587,773	4,310,279	(1,722,506)
Capital			
Capital - Net Loss Carryforward	6,207,450	6,312,127	(104,677)
Unrealized Loss - Stocks	-	-	-
Subtotal - Capital	6,207,450	6,312,127	(104,677)
Statutory valuation allowance adjustment	(6,207,450)	(6,312,127)	104,677
Non-admitted	(1,097,194)	(1,718,192)	620,998
Admitted Tax deferred tax assets	1,490,579	2,592,087	(1,101,508)
3. Deferred tax Liabilities			
Ordinary			
Fixed Assets	99,623	-	99,623
Investments	25,177	15,535	9,642
Salvage Accrual	67,237	30,848	36,389
Pension	-	-	-
Subtotal - Ordinary	192,037	46,383	145,654
Subtotal - Capital	-	-	-
Total Deferred Tax Liabilities	192,037	46,383	145,654
Net Admitted Deferred Tax Asset	1,298,542	2,545,704	(1,247,162)

D. Reconciliation of Federal Income Tax Rate to Actual Effective Rate

Tax-exempt income deduction	(48,191)	-0.6%
Dividends received deduction	(27,434)	-0.3%
Disallowed Travel, Meals & Entertainment	124,310	1.6%
Other Permanent difference	290,388	3.7%
Statutory valuation allowance adjustment	(104,677)	-1.3%
Non-admitted assets	345,981	4.4%
Prior year true-up	(6,537)	-0.1%
Other	75,198	1.0%
Total Income tax	2,306,742	29.2%
Federal and foreign income taxes incurred	933,935	11.8%
Tax on capital gains (losses)	(495,354)	-6.3%
Change in net deferred income taxes	1,868,161	23.7%
Total statutory income taxes	2,306,742	29.2%

E. Operating Loss and Tax Credit Carryforwards

1. At December 31. 2018, the Company had capital loss carry-forwards available of \$29,559,285 to offset against future capital gains expiring through 2019.
2. At December 31. 2018, the income tax expense that is available for recoupment in the event of future net losses is \$4,151,940 from 2017 and \$2,751,110 from 2016.
3. The Company’s aggregate amount of deposits admitted under Section 6603 of the Internal Revenue Code is \$0

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE INTERNATIONAL FIDELITY INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

- F. Consolidated Federal Income Tax Return
1. Through September 30, 2018, the Company's federal income tax return is consolidated with The Chestnut Group and its subsidiary, Allegheny Casualty Company as part of the consolidated IFIC Surety Group, Inc. return. The period subsequent to September 30, 2018, the Company's return is consolidated with Goose Creek Capital, Inc (FEIN 81-4619377)

2. The income tax is allocated based on each entities respective pre-tax income. The Company has the enforceable right to recoup federal income taxes paid in prior years in the event of future losses, which it may incur, or to recoup its net losses carried forward as an offset to future net income subject to federal income taxes.

G. Federal or Foreign Income Tax Loss Contingencies - None

Note 10. Information Concerning Parent, Subsidiaries, Affiliates and other Related Parties

A. Nature of Relationships

On September 30, 2018, TransGuard Insurance Company of America “TICOA” an Illinois domiciled Insurance Company, purchased 100% of IFIC Surety Group, Inc., the former direct parent of IFIC. (See Schedule Y, for the new organization structure.) “TICOA” is a subsidiary of IAT Insurance Group, Inc. a North Carolina holding company.

On August 31, 2015, the shareholders of IFIC entered into a Stock Exchange Agreement whereby they exchanged 100% of their outstanding shares of IFIC common stock for shares of IFIC Surety Group, Inc. IFIC Surety Group, Inc. is a New Jersey non-insurance, holding company. IFIC Surety Group, Inc.'s sole holding was its equity in IFIC.

On October 1, 2009, International Fidelity Insurance Company purchased 100% of The Chestnut Group (TCG). TCG's sole holding is its equity in Allegheny Casualty Company (ACC), an insurance company domiciled in the State of New Jersey.

B. Transactions

Effective September 30, 2018, AIA Holdings Inc. is no longer an affiliate of International Fidelity Insurance Company. IFIC was acquired by IAT Insurance Group. International Fidelity Insurance Company has an MGA agreement with AIA Holdings, Inc., to manage and process the Company's bail business.

Also, the Company has a reinsurance agreement with its subsidiary Allegheny Casualty Company whereby IFIC assumes 100% of the Surety other than Bail business written by Allegheny Casualty Company.

C. Dollar Amounts of Transactions

Direct Premium managed though AIA Holdings, Inc. for the period ended at December 31, 2018 is \$15,040,861.

Direct Assumed Premium from its affiliate, Allegheny Casualty Company for the twelve months of 2018 was \$8,393,716. (See Note 10F)

D. Amounts due to / from Related Parties

As a result of the reinsurance agreement between IFIC and its subsidiary ACC at December 31, 2018 the company has a current Premium Receivable balance in the amount of \$1,137,050 due from its subsidiary ACC and a Reinsurance Losses Payable due its subsidiary (ACC) in the amount of \$1,255,433.

E. Guarantees of Contingencies for Related Parties - None

F. Material Management or Services Contracts and Cost Sharing Arrangements

The Company entered into an Expense Sharing Agreement with its subsidiary, Allegheny Casualty Company (ACC). IFIC incurs operational expenses on behalf of ACC and at the end of each quarter, IFIC will charge ACC 100% of those expenses. As a result of this agreement International Fidelity Insurance Company reported a current receivable in the amount of \$72,274 at December 31, 2018 and \$37,109 at December 31, 2017.

G. Nature of Relationships Control Relationship

All outstanding shares of the subsidiary (TCG) are owned by IFIC (please see Schedule Y)

H. Amount Deducted for Investment in Upstream Intermediate or Ultimate Parent Owned Company - None

I. Details of Investment in a subsidiary greater than 10% of Admitted Assets

The Company owns 100% of The Chestnut Group whose sole equity is 100% of Allegheny Casualty Company. The common stock invested is recorded at \$24,794,502 which includes unamortized goodwill of \$1,142,475. There is no non-admitted goodwill. See Notes 1-C.7 and Note 3-A.

Financial information for The Chestnut Group and Allegheny Casualty Company at December 31, 2018 is summarized as follows:

Admitted Assets	\$ 34,219,669
Total Liabilities	10,567,642
Policyholders' Surplus	23,652,027
Net Income (Loss)	762,917

J. Investments in Impaired SCAs - None

K. Foreign Insurance Subsidiary - None

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE INTERNATIONAL FIDELITY INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

L. Investment in Downstream Holding Company

IFIC owns 100% of the outstanding shares of TCG, a holding company which wholly-owns 100% of ACC, an insurance company. As ACC is TCG’s sole asset, TCG is valued using ACC’s statutory surplus in accordance with *SSAP No 97 – Investments in Subsidiary, Controlled and Affiliated Entities*. The carrying amount of TCG at December 31, 2018 is \$24,794,502.

M. SCA Investments – None requiring additional disclosure

N. Investment in Insurance SCA

As IFIC’s carrying value of TCG is based on the surplus of ACC, any permitted practices granted ACC have a direct effect on IFIC’s results.

1. Accounting Practices that Differs from NAIC Statutory Accounting Practice and Procedures:
Similar to IFIC, ACC was granted permission by NJDOBI to earn bail premium on the first day the bond is issued (See Note 1-A),

2. The effect of the permitted practice is as follows:

Entity	Net Income Increase/ (Decrease)	Surplus Increase/ (Decrease)	Per Audited Statutory Equity	Has Entity Completed Statutory Financial Statements
Allegheny Casualty Company	-	2,576,219	23,652,027	Yes

3. The RBC of ACC would not have triggered a regulatory event had it not been granted this permitted practice.

Note 11 – Debt - None

Note 12 – Retirement Plan, Deferred Compensation, Postemployment Benefits and Compensated Absences and other Postretirement Benefit Plan

A. Defined Benefit Plan

In September 2018, the Company liquidated its non-qualified defined benefit pension plan with lump sum distributions going to eligible employees. In connection with the liquidation, the Company reduced its pension liability to \$0 and recognized \$2,898,151 of income. A summary of assets, obligations and assumptions of the non-qualified pension plan at September 30, 2018 and December 31, 2017 are as follows:

	Overfunded		Underfunded	
	12/31/2018	12/31/2017	012/31/2018	12/31/2017
a) Benefit obligation, Beginning of year	-	-	\$7,649,403	\$6,879,597
b) Service cost	-	-	-	298,303
c) Interest Cost	-	-	-	263,725
d) Contribution made by plan participants	-	-	-	-
e) Actuarial gains and losses	-	-	-	443,950
f) Benefits paid	-	-	(4,751,252)	(236,172)
g) Plan amendments	-	-	(2,898,151)	-
h) Benefit Obligation, End of Year	-	-	\$ 0	\$7,649,403
	-	-		

2. Change in plan assets

	Pension Benefits	
	12/31/2018	12/31/2017
a) Fair value of Plan assets at January 1,	\$ 0	\$ 0
b) Actual return on Plan assets	0	0
c) Contributions by the employer	4,751,252	236,172
d) Benefits paid	(4,751,252)	(236,172)
e) Fair value of Plan assets at December 31,	\$ 0	\$ 0

3. Funded Status

	12/31/2018	12/31/2017
Overfunded		
a) Assets (non-admitted)		
1-Prepaid benefit cost	0	0
2-Overfunded plan assets	0	0
3. Total assets	0	0
Unfunded		
b) Liabilities Recognized		
1-Accrued Benefit Costs		
2-Liability for Pension Benefits	\$0	\$7,136,480
3.Total liabilities recognized	0	7,136,480
c) Unrecognized liabilities	0	0

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE INTERNATIONAL FIDELITY INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

4. Components of net periodic benefit cost

	<u>12/31/2018</u>	<u>12/31/2017</u>
a) Service Cost	0	298,303
b) Interest Cost	0	263,725
c) Expected return on Assets	0	0
d) Amortization of Transition (assets)	0	139,887
e) Amortization of Prior Service Cost	0	0
f) Amortization of Actuarial (Gain)/Loss	0	(43,670)
g) Total Net Periodic Benefit Cost	\$0	\$ 658,245

3. Amounts in unassigned funds (surplus) recognized as components of net periodic benefit cost

a) Items not yet recognized as a component of net cost - prior year	\$ 0
b) Net transition asset or obligation recognized	0
c) Net prior service cost or credit arising during the period	0
d) Net prior service cost or credit recognized	0
e) Net gain and loss arising during the period	0
f) Net gain and loss recognized	0
g) Items not yet recognized as a component of net periodic cost - current year	0

6. Amounts in unassigned funds (surplus) expected to be recognized in the next fiscal year as components of net periodic benefit costs

	<u>12/31/2018</u>	Pension Benefits <u>12/31/2017</u>
a) Net transition asset or obligation	247,974	330,273
b) Net Prior service cost or credit	0	0
c) Net recognized gains and losses	0	0

7. Amounts in unassigned funds (surplus) that have not yet been recognized as components of net periodic benefit cost

	Pension Benefits <u>12/31/2018</u>	<u>12/31/2017</u>
a) Net transition asset or obligation	0	1,981,639
b) Net Prior service cost or credit	0	0
c) Net recognized gains and losses	0	0

8. Weighted-average assumptions used to determine net periodic benefit cost as of 01/31/ 2018 and 2017:

	Pension Benefits <u>12/31/2018</u>	<u>12/31/2017</u>
a) Weighted-average discount rate	N/A	3.4%
b) Expected long-term rate of return on plan assets	N/A	N/A
c) Rate of compensation increase	N/A	2.5%

9. The amount of the accumulated benefit obligation for defined benefit pension plans for 12/31/2018 and 2017 was \$0 and \$7,136,480, respectively.

10. The Company has no non-pension postretirement benefit plans.

11. The Company has no assumed health care trend rates.

12. As the plan was terminated in September 2018, there are no estimated future payments.

13. Estimate of Contributions Expected to be Paid to the Plan - Not Applicable

14. Amounts and Types of Securities Included in Plan Assets - Not Applicable

15. Alternative Method Used to Amortize Prior Serve Amounts or Net Gains and Losses - Not Applicable

16. Substantive Comment Used to Account for Benefit Obligation - Not Applicable

17. Cost of Providing Special or Contractual Termination Benefits Recognized - Not Applicable

18. Significant Change in the Benefit Obligation or Plan Assets - Not Applicable

19. Amounts and Time Plan Assets Expected to be Returned - Not Applicable

20. Accumulated Postretirement and Pension Benefit Obligation and Fair Value of Plan Assets for Defined Postretirement and Pension Benefit Plans - Not Applicable

21. Full Transition Surplus Impact of SSAP 102 - Not Applicable

B. Investment Policies and Strategies - None

C. Fair Value of Plan Assets - None

D. Basis Used to Determine Expected Long-Term Rate of Return

NOTES TO FINANCIAL STATEMENTS

- E. Defined Contribution Plans
- The Company offers a 401(k) plan to all employees, which is fully funded. Matching contributions up to 5% of each employee's compensation are made each year. The Company's contribution to the plan at December 31, 2018 was \$911,427. and \$876,057 for the twelve months of 2017. The Company's plan assets fair value at December 31, 2018 and December 31, 2017 was \$25,025,802. and \$28,652,821 respectively.
- F. Multi-employer Plans - None
- G. Consolidated/Holding Company Plans - None
- H. Postemployment Benefits and Compensated Absences - None
- I. Impact of Medicare Modernization Act on Post Retirement Benefits - None

Note 13 - Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations

1. Outstanding Shares
- The Company has 1,000,000 shares common stock authorized. On July 3, 2018, the NJDOBI authorized an increase in the par value of the stock from \$1.50 to \$3.60 per share. At December 31, 2018, 949,318 shares are issued and outstanding. The Company has no preferred stock authorized, issued or outstanding. The Company currently holds 50,682 shares of treasury stock at with a cost value of \$5,954,580.
2. Dividend Rate of Preferred Stock - None
3. Dividend Restrictions
- The maximum amount of dividends which can be paid by the State of New Jersey insurance companies to shareholders without prior approval of the Insurance Commissioner is subject to restrictions relating to statutory surplus. Statutory surplus at December 31, 2018 was \$95,875,210. The maximum dividend payout which may be made without prior approval in 2019 is \$9,587,521.
4. Date and Amount of Dividends Paid
- In 2018, the Company has declared dividends of \$949,343, which were paid in April and July of 2018. During 2017, the Company declared dividends of \$1,226,352, of which \$731,963 were paid in 2017. Stockholders' dividends are charged to unassigned funds based on the declaration date as approved by the Board of Directors and the State of New Jersey Department of Banking and Insurance.
5. Profits that may be paid as Ordinary Dividends to Stockholders
- Other than the limitations mentioned in item 3 above, there are no other limitations as to the amount of ordinary dividends.
6. Restrictions Plans on Unassigned Funds (Surplus) – None
7. Amount of Advances to Surplus not Repaid – None
8. Amount of Stock Held for Special Purposes – None
9. Reasons for Changes in Valance of Special Surplus Funds from Prior Period – Not applicable
10. The Portion of Unassigned Funds (Surplus) Represented or Reduced by Unrealized Gains and Losses is \$(2,359,871)
11. The Reporting Entity Issued the Following Surplus Debentures or Similar Obligations

The Company has two outstanding surplus note obligations.

In 2003, the Company issued floating rate surplus notes to the Wilmington Trust Company now held by US Bank NA as Trustee for TruPS FINANCIALS SECURITIZATION 2017-2 LTD in return for \$6 million in cash. Any payment of interest or repayment of principal is subject to approval by the NJDOBI. The surplus notes contain provisions that could require the Company to pay off the notes early in an event of a default of any interest or payment obligations. Regardless, the Company cannot make any payments without prior written approval of the NJDOBI.

In 2005, the Company issued floating rate surplus notes to JPMorgan Chase Bank, National Association now held by Alesco Preferred Funding IX, LTD in return for \$10 million in cash. Any payment of interest or repayment of principal is subject to approval by the NJDOBI. The surplus notes contain provisions that could require the Company to pay off the notes early in an event of a default of any interest or payment obligations. Regardless, the Company cannot make any payments without prior written approval of the NJDOBI.

Date Issued	Interest Rate	Par Value (Face Amount of Notes)	Carrying Value of Note*	Principal and/or Interest Paid Current Period	Total Principal and/or Interest Paid	Unapproved Principal and/or Interest	Date of Maturity
12/16/2003	LIBOR + 4.10%	\$ 6,000,000	\$ 6,000,000	\$ 366,685	\$ 5,233,358	\$ 0	01/08/2034
12/16/2005	LIBOR + 3.45%	\$10,000,000	\$10,000,000	\$ 565,831	\$ 6,653,501	\$ 0	12/15/2035
Total		\$16,000,000	\$16,000,000	\$ 932,516	\$11,886,859	\$ 0	

12. Quasi-Reorganization – None
13. Dates of Quasi-Reorganization – Not applicable

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE INTERNATIONAL FIDELITY INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

Note 14 – Liabilities, Contingencies and Assessments

- A. Contingent Commitments
Various Lawsuits against the Company have arisen in the course of the Company's business. Contingent liabilities arising from litigation, income taxes or other matters are not considered material in relation to the position of the Company.
- B. Assessments - None
- C. Gain Contingencies – None
- D. Claims Related Extra Contractual Obligation and Bad Faith Losses from Lawsuits – None
- E. Product Warranties – Not applicable
- F. Joint and Several Liabilities – None
- G. All Other Contingencies - None

Note 15 - Leases

- A. Lessee Operating Leases

2. Leasee Leasing Arrangements

a) Rental Expense
The Company leases its office facilities and equipment under various non-cancellable operating leases that expire through 2023. Rental expense for the year ended December 31, 2018 was \$3,008,902 and \$3,045,640 for the year ended December 31,2017
3. Leases with Initial or Remaining Non-cancelable Lease Terms in Excess of One Year

a) At December 31, 2018, the minimum aggregate rental commitments are as follows:

Year	Amount
2019	\$ 2,585,000
2020	2,011,000
2021	875,000
2022	511,000
Thereafter	186,000
	<u>\$ 6,168,000</u>
4. For Sale –Leaseback Transactions – None

B. Lessor Leases - None

Note 16 – Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk - None

Note 17 – Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities - None

Note 18 – Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans
None

Note 19 - Direct Premium Written/Produced by Managing General Agents/Third Party Administrators for the nine months ended December 31, 2018:

Name	FEIN	Exclusive Contracts	Type of Business	Type of Authority	Total Premium
AIA Holdings, Inc. Calabasas, CA 91302	45-0508040	No	Surety - Bail	C, CA, B, P, U*	\$15,040,861

* Underwriting authority limited to issue a Bail Bond with a penal liability of no more than \$500,000 net of collateral.

Note 20 - Fair Value Measurements

1. Fair Value Measurements at Reporting Date

At December 31, 2018, the reported fair value of the reporting entity's investments are as follows:

Level 1: Money Market Mutual Funds totaled \$ 30,260,326. These assets are traded in active markets with sufficient frequency and volume as to provide quoted prices that are reliable as evidence of fair value on an ongoing basis. To measure their fair value, the reporting entity records a quoted price via a generally accepted and respected pricing service at selected measurement dates. As of December 31, 2018 reported fair value, prices were quoted via Clearwater Analytics, which is a provider of investment portfolio reporting for IFIC.

Level 2: To measure their fair value, the reporting entity records a quoted price via a generally accepted and respected pricing service at selected measurement dates. As of December 31,, 2018 reported fair value, prices were quoted via Clearwater Analytics, which is a provider of investment portfolio reporting for IFIC. Bonds with NAIC designation of 3 to 6 are reported at the lower of carrying value or fair value. At December 31,, 2018 IFIC held no bonds designated as class 3-6.

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE INTERNATIONAL FIDELITY INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

Level 3: None

(1) Fair Value Measurements at Reporting Date

Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Total
Assets at fair value					
Cash Equivalent (Money Market Mutual Fund)	30,260,326				30,260,326
Common Stock					
20A1A99 - Assets at fair value	30,260,326				30,260,326

2. Fair Value Measurements in (Level 3) of the Fair Value Hierarchy - NONE

3. Policies when Transfers Between Levels are Recognized:
At the end of each reporting period, the Company evaluates whether or not any event has occurred or circumstances have changed that would cause an instrument to be transferred into or out of Level 3. During the current year, no transfers into or out of Level 3 were required

4. Description of Valuation Techniques and Inputs Used in Fair Value Measurement:

The Company obtains quoted market prices in active markets, when available, for identical or similar assets at the balance sheet date. Market price data is generally obtained from dealer markets.

5. Derivative Fair Values - None

2. Other Fair Value Disclosures
In accordance with SSAP No. 30, the Company monitors investment securities for other-than-temporary declines in fair value. In determining whether a decline in fair value is other than temporary, consideration is given to the extent of the decline, the length of time fair value has been below cost and other relevant factors. The Company recorded no other-than-temporary losses in 2018 or in 2017.

C. Practicable to Estimate Fair Value
The fair values for the bonds and stocks presented below are estimated using market prices as quoted from Clearwater Analytics and/or the broker dealer.

D. Not Practical to Estimate Fair Value - None

C. Practicable to Estimate Fair Value

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Aggregate fair value for all financial instruments							
Bonds	124,394,329	126,525,302	6,172,855	118,221,474			
Common Stock							
Preferred Stock							
Mortgage Loan Receivable	344,840	344,840		344,840			
Cash, Short-Term Investments, & Cash Equivalents	42,240,485	42,240,485	42,240,485				
Receivables for Securities Sold							
Derivatives							
Margin Accounts Payable							
Payable for Securities Purchased							
20C9999 - Aggregate fair value for all financial instruments							

Note 21 - Other Items

- A. Unusual or Infrequent Items – Not Applicable
- B. Troubled Debt Restructuring Debtors – Not Applicable
- C. Other Disclosures

Funds Held

At December 31, 2018, and December 31, 2017, \$70,100,486 and \$60,068,078 of collateral funds were held under contract in connection with various surety bonds, respectively. At December 31, 2018, the collateral funds consisted of cash (\$2,592), cash equivalents (\$19,417,013) and government/agency bonds (\$50,680,882). See Note 5-H4 for further details.

Irrevocable letters of credit held as collateral at December 31, 2018 and December 31, 2017 were \$81,668,092 and \$104,756,147, respectively.

Collateral funds were held in escrow by fiduciary trustee for the Company as beneficiary related to the Company's bail bond business in the amount of \$23,491,214 at December 31, 2018 and \$25,025,632 at December 31, 2017.

- D. Business Interruption Insurance Recoveries – Not Applicable
- E. State Transferable and Non-Transferable Tax Credits - Not Applicable

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE INTERNATIONAL FIDELITY INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

- F. Subprime Mortgage Related Risk Exposure - Not Applicable
- G. Insurance Linked Securities (ILS) Contracts - Not Applicable

Note 22 - Events Subsequent

Effective January 1, 2019, the Company will cede 100% of its bail business to its affiliate, Allegheny Casualty Corporation, under a new quota-share agreement between IFIC & ACC.

On December 31, 2018, an affiliate of the Company, IAT Insurance Group, Inc. ("IAT") acquired 100% of The Chestnut Group, Inc. ("TCG") from the Company. IAT paid cash consideration of \$24.8 million, which was the statutory carrying value of TCG at December 31, 2018. This transaction closed on February 27, 2019.

Note 23 – Reinsurance

- A. Unsecured Reinsurance Recoverables

At December 31, 2018, the Company has unsecured aggregate recoverable for losses, paid and unpaid including IBNR, loss adjustment expenses and unearned premium with the following reinsurers (that exceed 3% of policyholders’ surplus)

NAIC	FEIN#	Reinsurer	Amount
26921	22-2005057	Everest Reinsurance Company	\$8,177,023

- B. Reinsurance Recoverables in Dispute -
The Company does not have reinsurance recoverable on paid or unpaid losses in dispute where the amount from any one reinsurer exceeds 5% of the Company's policyholder surplus or where the aggregate amount of all disputed items exceed 10% of the Company's policyholders' surplus.

- C. Reinsurance Assumed and Ceded

1.Maximum Amount of Return Commission

	Assumed Reinsurance		Ceded Reinsurance		Net	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
Affiliates	2,326,231	563,591	0	0	2,326,231	563,591
All Others	94,832	24,425	9,077,692	4,187,413	(8,982,859)	(4,162,987)
Total	2,421,063	588,016	9,077,692	4,187,413	(6,656,629)	(3,599,397)

Direct Unearned Premium Reserves were \$45,256,491 at December 31, 2018.

2. Certain agency agreements and ceded reinsurance contracts provide for additional or return commission based on the actual loss experience of the direct written and ceded reinsured business. Amounts accrued at December 31, 2018 are as follows:

	<u>Direct</u>	<u>Assumed</u>	<u>Ceded</u>	<u>Net</u>
Contingent Commission	0	0	0	0
Sliding Scale Adjustment	0	0	(\$394,619)	\$394,619
Other Profit Commission Arrangements	\$1,337,163	0	0	\$1,337,163
Total	\$1,337,163	\$ 0	(\$394,619)	\$1,731,782

- D. Uncollectible Reinsurance

As of December 31, 2018, the Company wrote-off reinsurance balances in 2018 amounting to (\$8) comprised of losses incurred of \$5,141 loss adjustment expenses incurred of (\$2,590), premiums earned of (\$2,532), and other of (\$11) from the following reinsurers:

<u>Reinsurer</u>	<u>Amount</u>
US International Reinsurance Company	(\$99)
Various	\$107
Total	(\$8)

- E. Commutation of Ceded Reinsurance - None
- F. Retroactive Reinsurance - None
- G. Reinsurance Accounted for as a Deposit - None
- H. Run-off Agreements - None
- I. Certified Reinsurer Downgraded or Status Subject to Revocation – None
- J. Reinsurance Agreements Qualifying for Reinsurer Aggregation - None

Note 24 – Retrospectively Rated Contracts and Contracts Subject to Redetermination - None

NOTES TO FINANCIAL STATEMENTS

Note 25– Changes in Incurred Losses and Loss Adjustment Expenses

- A.

Changes in Incurred Losses and Loss Adjustment Expenses
Reserves for incurred losses and loss adjustment expenses attributable to insured events of prior years have decreased by \$8,728,035 as a result of re-estimation of unpaid loss and loss adjustment expense.
- B.

Information about Significant Changes in Methodologies and Assumptions
There were no changes in methodologies and assumptions in the current period

Note 26 – Intercompany Pooling Arrangements - None

Note 27 – Structured Settlements - None

Note 28 - Health Care Receivables - None

Note 29 - Participating Policies - None

Note 30 - Premium Deficiency Reserves - None

Note 31 – High Deductibles - None

Note 32 – Discounting of Liabilities for Unpaid Losses of Unpaid Loss Adjustment Expenses - None

Note 33 – Asbestos/Environmental Reserves - None

Note 34 - Subscriber Savings Accounts - None

Note 35 - Multiple Peril Crop Insurance - None

Note 36 - Financial Guaranty Insurance - None

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE INTERNATIONAL FIDELITY INSURANCE COMPANY

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1

Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons , one or more of which is an insurer?

If yes , complete Schedule Y , Parts 1, 1A and 2.

Yes (X) No ()
- 1.2

If yes , did the reporting entity register and file with its domiciliary State Insurance Commissioner , Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System , a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto , or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?

Yes (X) No () N/A ()
- 1.3

State Regulating?

New Jersey
- 1.4

Is the reporting entity publicly traded or a member of a publicly traded group?

Yes () No (X)
- 1.5

If the response to 1.4 is yes , provide the CIK (Central Index Key) code issued by the SEC for the entity/group .
.....
- 2.1

Has any change been made during the year of this statement in the charter , by-laws , articles of incorporation , or deed of settlement of the reporting entity?

Yes () No (X)
- 2.2

If yes , date of change:

.....
- 3.1

State as of what date the latest financial examination of the reporting entity was made or is being made .

12/31/2015
- 3.2

State the as of date of the latest financial examination report became available from either the state of domicile or the reporting entity . This date should be the date of the examined balance sheet and not the date the report was completed or released .

12/31/2015
- 3.3

State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity . This is the release date or completion date of the examination report and not the date of the examination (balance sheet date) .

04/17/2017
- 3.4

By what department or departments?
State of New Jersey , Department of Banking & Insurance
- 3.5

Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes (X) No () N/A ()
- 3.6

Have all of the recommendations within the latest financial examination report been complied with?

Yes (X) No () N/A ()
- 4.1

During the period covered by this statement , did any agent , broker , sales representative , non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.11 sales of new business?
4.12 renewals?

Yes () No (X)
Yes () No (X)
- 4.2

During the period covered by this statement , did any sales/service organization owned in whole or in part by the reporting entity or an affiliate , receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.21 sales of new business?
4.22 renewals?

Yes () No (X)
Yes () No (X)
- 5.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

If yes , complete and file the merger history data file with the NAIC .

Yes () No (X)
- 5.2

If yes , provide the name of entity , the NAIC company code , and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation .

1 Name of Entity	2 NAIC Company Code	3 State of Domicile
---------------------	------------------------	------------------------

- 6.1

Has the reporting entity had any Certificates of Authority , licenses or registrations (including corporate registration , if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes () No (X)
- 6.2

If yes , give full information:
.....
- 7.1

Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity?

Yes () No (X)
- 7.2

If yes ,

7.21 State the percentage of foreign control

..... %

7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal , the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g. , individual , corporation , government , manager or attorney-in-fact) .

1 Nationality	2 Type of Entity
------------------	---------------------

- 8.1

Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes () No (X)
- 8.2

If response to 8.1 is yes , please identify the name of the bank holding company .
.....
- 8.3

Is the company affiliated with one or more banks , thrifts or securities firms?

Yes () No (X)
- 8.4

If response to 8.3 is yes , please provide the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB) , the Office of the Comptroller of the Currency (OCC) , the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator .

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 FDIC	6 SEC
---------------------	-----------------------------	----------	----------	-----------	----------

9.

What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Johnson & Lambert, LLP 4242 Six Forks Road, Suite 1500 Raleigh, NC 27609

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

10.1

Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule) , or substantially similar state law or regulation?

Yes () No (X)

10.2

If the response to 10.1 is yes, provide information related to this exemption:
.....

10.3

Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation , or substantially similar state law or regulation?

Yes () No (X)

10.4

If the response to 10.3 is yes, provide information related to this exemption:
.....

10.5

Has the reporting entity established an Audit Committee in compliance with domiciliary state insurance laws?

Yes (X) No () N/A ()

10.6

If the response to 10.5 is no or n/a, please explain:
.....

11.

What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Russel Kuehne, Huggins Actuary Services, Inc. 111 Veterans Square 2nd Fl. Media, PA 19063

12.1

Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly?

Yes () No (X)

12.11

Name of real estate holding company
.....

12.12

Number of parcels involved
.....

12.13

Total book/adjusted carrying value
\$

12.2

If yes, provide explanation
.....

13.

FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:

13.1

What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
.....

13.2

Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located?

Yes () No ()

13.3

Have there been any changes made to any of the trust indentures during the year?

Yes () No ()

13.4

If answer to (13.3) is yes, has the domiciliary or entry state approved the changes?

Yes () No () N/A (X)

14.1

Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?
(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
(c) Compliance with applicable governmental laws, rules and regulations;
(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
(e) Accountability for adherence to the code.

Yes (X) No ()

14.11

If the response to 14.1 is no, please explain:
.....

14.2

Has the code of ethics for senior managers been amended?

Yes () No (X)

14.21

If the response to 14.2 is yes, provide information related to amendment(s) .
.....

14.3

Have any provisions of the code of ethics been waived for any of the specified officers?

Yes () No (X)

14.31

If the response to 14.3 is yes, provide the nature of any waiver(s) .
.....

15.1

Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List?

Yes () No (X)

15.2

If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount
--	--------------------------------------	--	-------------

BOARD OF DIRECTORS

16.

Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof?

Yes (X) No ()

17.

Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof?

Yes (X) No ()

18.

Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees, or responsible employees that is in conflict or is likely to conflict with the official duties of such person?

Yes (X) No ()

FINANCIAL

19.

Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles) ?

Yes () No (X)

20.1

Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):

20.11

To directors or other officers

\$

20.12

To stockholders not officers

\$

20.13

Trustees, supreme or grand (Fraternal only)

\$

20.2

Total amount of loans outstanding at end of year (inclusive of Separate Accounts, exclusive of policy loans):

20.21

To directors or other officers

\$

20.22

To stockholders not officers

\$

20.23

Trustees, supreme or grand (Fraternal only)

\$

21.1

Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement?

Yes () No (X)

21.2

If yes, state the amount thereof at December 31 of the current year:

21.21

Rented from others

\$

21.22

Borrowed from others

\$

21.23

Leased from others

\$

21.24

Other

\$

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

22.1

Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments?

Yes () No (X)

22.2

If answer is yes:

22.21

Amount paid as losses or risk adjustment

\$

22.22

Amount paid as expenses

\$

22.23

Other amounts paid

\$

23.1

Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes (X) No ()

23.2

If yes, indicate any amounts receivable from parent included in the Page 2 amount:

\$ 2,143,771

INVESTMENT

24.01

Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.03)

Yes (X) No ()

24.02

If no, give full and complete information relating thereto:

.....

24.03

For the security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)

.....

24.04

Does the Company's security lending program meet the requirements for a conforming program as outlined in Risk-Based Capital Instructions?

Yes () No () N/A (X)

24.05

If answer to 24.04 is YES, report amount of collateral for conforming programs.

\$

24.06

If answer to 24.04 is NO, report amount of collateral for other programs.

\$

24.07

Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract?

Yes () No () N/A (X)

24.08

Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%?

Yes () No () N/A (X)

24.09

Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending?

Yes () No () N/A (X)

24.10

For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:

24.101

Total fair value of reinvented collateral assets reported on Schedule DL, Parts 1 and 2

\$

24.102

Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2

\$

24.103

Total payable for securities lending reported on the liability page

\$

25.1

Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03)

Yes (X) No ()

25.2

If yes, state the amount thereof at December 31 of the current year:

25.21

Subject to repurchase agreements

\$

25.22

Subject to reverse repurchase agreements

\$

25.23

Subject to dollar repurchase agreements

\$

25.24

Subject to reverse dollar repurchase agreements

\$

25.25

Placed under option agreements

\$

25.26

Letter stock or securities restricted as to sale - excluding FHLB Capital Stock

\$

25.27

FHLB Capital Stock

\$

25.28

On deposit with states

\$ 17,205,038

25.29

On deposit with other regulatory bodies

\$

25.30

Pledged as collateral - excluding collateral pledged to an FHLB

\$ 17,000,000

25.31

Pledged as collateral to FHLB - including assets backing funding agreements

\$

25.32

Other

\$

25.3

For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount
----------------------------	------------------	-------------

26.1

Does the reporting entity have any hedging transactions reported on Schedule DB?

Yes () No (X)

26.2

If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?
If no, attach a description with this statement.

Yes () No () N/A (X)

27.1

Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity?

Yes () No (X)

27.2

If yes, state the amount thereof at December 31 of the current year.

\$

28.

Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds, and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?

Yes (X) No ()

28.01

For agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian's Address
---------------------------	--------------------------

US Bank 214 N Tryon St, Charlotte, NC 28202

28.02 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)
--------------	------------------	------------------------------

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year? Yes (X) No ()

28.04 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
--------------------	--------------------	---------------------	-------------

Bank of America Merrill Lynch US Bank 11/15/2018 Parent company uses US Bank and wanted to align its portfolio accordingly

28.05 Investment management - Identify all investment advisors, investment managers, broker/dealers, including individuals that have the authority to make investment decisions on behalf of the reporting entity. For assets that are managed internally by employees of the reporting entity, note as such. ["...that have access to the investment accounts"; "...handle securities"]

1 Name of Firm or Individual	2 Affiliation
---------------------------------	------------------

Prime Advisors, Inc. U
DAVID G PIRRUNG I

28.0597 For those firms/individuals listed in the table for Question 28.05, do any firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") manage more than 10% of the reporting entity's assets? Yes () No (X)

28.0598 For firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") listed in the table for Question 28.05, does the total assets under management aggregate to more than 50% of the reporting entity's assets? Yes () No (X)

28.06 For those firms or individuals listed in the table for 28.05 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identified (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
---	---------------------------------	------------------------------------	----------------------	--

107680 Prime Advisors Inc. SEC DS

29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D - Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b) (1)])? Yes () No (X)

29.2 If yes, complete the following schedule:

1 CUSIP Number	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
-------------------	--------------------------	-----------------------------------

29.3 For each mutual fund listed in the table above, complete the following schedule:

1 Name of Mutual Fund (from question 29.2)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation
---	---	---	------------------------

30. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds	\$ 126,525,301	\$ 124,394,329	\$ (2,130,972)
30.2 Preferred stocks	\$	\$	\$
30.3 Totals	\$ 126,525,301	\$ 124,394,329	\$ (2,130,972)

30.4 Describe the sources or methods utilized in determining the fair values:
Fair values are obtained from quoted prices in active markets, when available for identical or similar assets at the balance sheet date. Market price data is general obtained from dealer markets.

31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D? Yes () No (X)

31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes () No ()

31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:
.....
.....

GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES

32.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Investment Analysis Office been followed? Yes (X) No ()

32.2 If no, list exceptions:
.....
.....

OTHER

33. By self-designating 5GI securities, the reporting entity is certifying the following elements of each self-designated 5GI security:

a. Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.

b. Issuer or obligor is current on all contracted interest and principal payments.

c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.

Has the reporting entity self-designated 5GI securities?

Yes () No (X)

34. By self-designating PLGI securities, the reporting entity is certifying the following elements of each self-designated PLGI security:

a. The security was purchased prior to January 1, 2018.

b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.

c. The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as a NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.

d. The reporting entity is not permitted to share this credit rating of the PL security with the SVO.

Has the reporting entity self-designated PLGI securities?

Yes () No (X)

OTHER

35.1 Amount of payments to Trade associations, service organizations and statistical or Rating Bureaus, if any? \$ 142,578

35.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid
The Surety & Fidelity Association of Ame.....	\$ 86,151
.....	\$
.....	\$
.....	\$

36.1 Amount of payments for legal expenses, if any? \$ 1,187,772

36.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
Jones Day.....	\$ 858,740
.....	\$
.....	\$
.....	\$

37.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$

37.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
.....	\$
.....	\$
.....	\$
.....	\$

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE INTERNATIONAL FIDELITY INSURANCE COMPANY

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force?

Yes () No (X)

1.2 If yes, indicate premium earned on U.S. business only.

\$

1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?

\$

1.31 Reason for excluding:

.....

.....

1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.

\$

1.5 Indicate total incurred claims on all Medicare Supplement insurance.

\$

1.6 Individual policies:

Most current three years:

1.61 Total premium earned

\$

1.62 Total incurred claims

\$

1.63 Number of covered lives

.....

All years prior to most current three years:

1.64 Total premium earned

\$

1.65 Total incurred claims

\$

1.66 Number of covered lives

.....

1.7 Group policies:

Most current three years:

1.71 Total premium earned

\$

1.72 Total incurred claims

\$

1.73 Number of covered lives

.....

All years prior to most current three years:

1.74 Total premium earned

\$

1.75 Total incurred claims

\$

1.76 Number of covered lives

.....

2. Health Test:

2.1 Premium Numerator

\$

2.2 Premium Denominator

\$

2.3 Premium Ratio (2.1/2.2)

.....

2.4 Reserve Numerator

\$

2.5 Reserve Denominator

\$

2.6 Reserve Ratio (2.4/2.5)

.....

1

Current Year

2

Prior Year

3.1 Does the reporting entity issue both participating and non-participating policies?

Yes () No (X)

3.2 If yes, state the amount of calendar year premiums written on:

3.21 Participating policies

\$

3.22 Non-participating policies

\$

4. For Mutual reporting entities and Reciprocal Exchange only:

4.1 Does the reporting entity issue assessable policies?

Yes () No (X)

4.2 Does the reporting entity issue non-assessable policies?

Yes () No (X)

4.3 If assessable policies are issued, what is the extent of the contingent liability of the policyholders?

..... %

4.4 Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums.

\$

5. For Reciprocal Exchanges only:

5.1 Does the exchange appoint local agents?

Yes () No (X)

5.2 If yes, is the commission paid:

5.21 Out of Attorney's-in-fact compensation

Yes () No () N/A (X)

5.22 As a direct expense of the exchange

Yes () No () N/A (X)

5.3 What expenses of the Exchange are not paid out of the compensation of the Attorney-in-fact?

.....

.....

5.4 Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions, been deferred?

Yes () No (X)

5.5 If yes, give full information.

.....

.....

6.1 What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss?

Not Applicable

.....

6.2 Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process:

Not Applicable

.....

6.3 What provision has this reporting entity made (such as a catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss?

Not Applicable

.....

16

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

6.4

Does the reporting entity carry catastrophe reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence?

Yes () No (X)

6.5

If no., describe any arrangements or mechanisms employed by the reporting entity to supplement its catastrophe reinsurance program or to hedge its exposure to uninsured catastrophic loss.

International Fidelity Insurance Company has no catastrophe exposure

7.1

Has the reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss cap, an aggregate limit or any similar provisions)?

Yes () No (X)

7.2

If yes, indicate the number of reinsurance contracts containing such provisions.

7.3

If yes, does the amount of reinsurance credit taken reflect the reduction in quota share coverage caused by any applicable limiting provision(s)?

Yes () No (X)

8.1

Has this reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on this risk, or portion thereof, reinsured?

Yes () No (X)

8.2

If yes, give full information.

9.1

Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results:
(a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term;
(b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer;
(c) Aggregate stop loss reinsurance coverage;
(d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party;
(e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or
(f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity.

Yes () No (X)

9.2

Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of the prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under common control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member where:
(a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or
(b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract.

Yes () No (X)

9.3

If yes to 9.1 or 9.2., please provide the following information in the Reinsurance Summary Supplemental Filing for General Interrogatory 9:
(a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income;
(b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and
(c) A brief discussion of management's principle objectives in entering into the reinsurance contract including the economic purpose to be achieved.

9.4

Except for transactions meeting the requirements of paragraph 31 of SSAP No. 62R, Property and Casualty Reinsurance, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:
(a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or
(b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP?

Yes () No (X)

9.5

If yes to 9.4., explain in the Reinsurance Summary Supplemental Filing for General Interrogatory 9 (Section D) why the contract(s) is treated differently for GAAP and SAP.

9.6

The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria:
(a) The entity does not utilize reinsurance; or,
(b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or
(c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement.

Yes () No (X)
Yes () No (X)
Yes () No (X)

10.

If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done?

Yes (X) No () N/A ()

11.1

Has this reporting entity guaranteed policies issued by any other entity and now in force?

Yes () No (X)

11.2

If yes, give full information.

12.1

If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 15.3 of the asset schedule, Page 2, state the amount of corresponding liabilities recorded for:

12.11

Unpaid losses

\$.....

12.12

Unpaid underwriting expenses (including loss adjustment expenses)

\$.....

12.2

Of the amount on Line 15.3, Page 2, state the amount that is secured by letters of credit, collateral and other funds:

\$.....

12.3

If the reporting entity underwrites commercial insurance risks, such as workers' compensation, are premium notes or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses?

Yes () No () N/A (X)

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

12.4 If yes, provide the range of interest rates charged under such notes during the period covered by this statement:

12.41 From

12.42 To

%

%

12.5 Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium notes or promissory notes taken by the reporting entity, or to secure any of the reporting entity's reported direct unpaid loss reserves, including unpaid losses under loss deductible features of commercial policies?

Yes () No (X)

12.6 If yes, state the amount thereof at December 31 of the current year:

12.61 Letters of Credit

12.62 Collateral and other funds

\$

\$

13.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation):

\$ 7,161,000

13.2 Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision?

Yes () No (X)

13.3 State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of the amount.

14.1 Is the company a cedant in a multiple cedant reinsurance contract?

Yes () No (X)

14.2 If yes, please describe the method of allocating and recording reinsurance among the cedants:

14.3 If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedant reinsurance contracts?

Yes () No (X)

14.4 If the answer to 14.3 is no, are the methods described in 14.2 entirely contained in written agreements?

Yes () No (X)

14.5 If the answer to 14.4 is no, please explain:

15.1 Has the reporting entity guaranteed any financed premium accounts?

Yes () No (X)

15.2 If yes, give full information.

16.1 Does the reporting entity write any warranty business?

Yes () No (X)

If yes, disclose the following information for each of the following types of warranty coverage:

	1	2	3	4	5
	Direct Losses Incurred	Direct Losses Unpaid	Direct Written Premium	Direct Premium Unearned	Direct Premium Earned
16.11 Home	\$	\$	\$	\$	\$
16.12 Products	\$	\$	\$	\$	\$
16.13 Automobile	\$	\$	\$	\$	\$
16.14 Other*	\$	\$	\$	\$	\$

* Disclose type of coverage:

17.1 Does the reporting entity include amounts recoverable on unauthorized reinsurance in Schedule F - Part 3 is exempt from the statutory provision for unauthorized reinsurance?

Yes () No (X)

Incurred but not reported losses on contracts in force prior to July 1, 1984, and not subsequently renewed are exempt from the statutory provision for unauthorized reinsurance.
Provide the following information for this exemption:

17.11	Gross amount of unauthorized reinsurance in Schedule F - Part 3 excluded from Schedule F - Part 5	\$
17.12	Unfunded portion of Interrogatory 17.11	\$
17.13	Paid losses and loss adjustment expenses portion of Interrogatory 17.11	\$
17.14	Case reserves portion of Interrogatory 17.11	\$
17.15	Incurred but not reported portion of Interrogatory 17.11	\$
17.16	Unearned premium portion of Interrogatory 17.11	\$
17.17	Contingent commission portion of Interrogatory 17.11	\$

18.1 Do you act as a custodian for health savings accounts?

Yes () No (X)

18.2 If yes, please provide the amount of custodial funds held as of the reporting date.

\$

18.3 Do you act as an administrator for health savings accounts?

Yes () No (X)

18.4 If yes, please provide the balance of the funds administered as of the reporting date.

\$

19. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states?

Yes (X) No ()

19.1 If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity?

Yes (X) No ()

FIVE-YEAR HISTORICAL DATA

Show amounts in whole dollars only , no cents; show percentages to one decimal place , i.e. 17.6.

	1 2018	2 2017	3 2016	4 2015	5 2014
Gross Premiums Written (Page 8, Part 1B, Cols. 1, 2 & 3)					
1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)					
2. Property lines (Lines 1, 2, 9, 12, 21 & 26)					
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)					
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	124,056,278	122,524,410	122,748,589	130,885,462	140,575,972
5. Nonproportional reinsurance lines (Lines 31, 32 & 33)					
6. Total (Line 35)	124,056,278	122,524,410	122,748,589	130,885,462	140,575,972
Net Premiums Written (Page 8, Part 1B, Col. 6)					
7. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)					
8. Property lines (Lines 1, 2, 9, 12, 21 & 26)					
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)					
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	102,703,790	102,290,972	98,546,085	101,362,277	107,556,338
11. Nonproportional reinsurance lines (Line 31, 32 & 33)					
12. Total (Line 35)	102,703,790	102,290,972	98,546,085	101,362,277	107,556,338
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8)	8,365,862	10,398,982	7,860,220	4,131,837	98,999
14. Net investment gain (loss) (Line 11)	36,933	3,051,785	1,078,819	(155,719)	3,911,524
15. Total other income (Line 15)	27,646	(201,684)	57,403	(530,694)	(92,827)
16. Dividends to policyholders (Line 17)	536,610	547,608	888,658	862,028	546,147
17. Federal and foreign income taxes incurred (Line 19)	438,582	4,196,770	2,767,553	1,227,792	(248,368)
18. Net income (Line 20)	7,455,249	8,504,705	5,340,231	1,355,604	3,619,917
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)	228,149,623	219,808,436	214,415,720	203,095,057	210,141,849
20. Premiums and considerations (Page 2, Col. 3)					
20.1 In course of collection (Line 15.1)	9,544,138	9,751,860	9,398,922	10,051,083	17,470,611
20.2 Deferred and not yet due (Line 15.2)					
20.3 Accrued retrospective premiums (Line 15.3)					
21. Total liabilities excluding protected cell business (Page 3, Line 26)	132,274,413	125,559,537	125,306,898	119,218,033	126,234,737
22. Losses (Page 3, Line 1)	8,729,241	5,279,222	2,684,535	(564,096)	845,550
23. Loss adjustment expenses (Page 3, Line 3)	3,910,677	3,559,438	3,582,623	3,267,578	3,932,838
24. Unearned premiums (Page 3, Line 9)	38,599,862	36,204,847	34,001,398	32,509,578	33,758,516
25. Capital paid up (Page 3, Lines 30 & 31)	3,600,000	1,500,000	1,500,000	1,500,000	1,500,000
26. Surplus as regards policyholders (Page 3, Line 37)	95,875,210	94,248,899	89,108,820	83,877,024	83,907,112
Cash Flow (Page 5)					
27. Net cash from operations (Line 11)	6,777,025	13,361,604	13,207,259	6,448,230	(8,052,740)
Risk-Based Capital Analysis					
28. Total adjusted capital	95,875,210	94,248,899	89,108,820	83,877,024	83,907,112
29. Authorized control level risk-based capital	18,007,254	18,119,744	16,811,829	17,715,462	18,570,101
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Item divided by Page 2, Line 12, Col. 3) x 100.0					
30. Bonds (Line 1)	59.6	62.5	58.2	52.5	41.6
31. Stocks (Line 2.1 & Line 2.2)	11.7	17.1	17.5	16.8	17.0
32. Mortgage loans on real estate (Lines 3.1 & 3.2)	0.2	0.2	0.2	0.2	0.9
33. Real estate (Lines 4.1, 4.2 & 4.3)					
34. Cash, cash equivalents and short-term investments (Line 5)	19.9	9.6	13.6	19.1	30.1
35. Contact loans (Line 6)					
36. Derivatives (Line 7)					
37. Other invested assets (Line 8)				0.2	0.2
38. Receivables for securities (Line 9)					
39. Securities lending reinvested collateral assets (Line 10)					
40. Aggregate write-ins for invested assets (Line 11)	8.7	10.6	10.6	11.2	10.3
41. Cash, cash equivalents and invested assets (Line 12)	100.0	100.0	100.0	100.0	100.0
Investments in Parent, Subsidiaries and Affiliates					
42. Affiliated bonds (Schedule D, Summary, Line 12, Col. 1)					
43. Affiliated preferred stocks (Schedule D, Summary, Line 18, Col. 1)					
44. Affiliated common stocks (Schedule D, Summary, Line 24, Col. 1)	24,794,502	25,271,217	26,461,938	27,207,435	28,128,058
45. Affiliated short-term investments (Schedule DA Verification, Col. 5, Line 10)					
46. Affiliated mortgage loans on real estate					276,378
47. All other affiliated					
48. Total of above Lines 42 to 47	24,794,502	25,271,217	26,461,938	27,207,435	28,404,436
49. Total investment in parent included in Lines 42 to 47 above					
50. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Col. 1, Line 37 x 100.0)	25.9	26.8	29.7	32.4	33.9

FIVE-YEAR HISTORICAL DATA
(Continued)

	1 2018	2 2017	3 2016	4 2015	5 2014
Capital and Surplus Accounts (Page 4)					
51. Net unrealized capital gains (losses) (Line 24)	(119,101)	(1,638,400)	(523,385)	(692,391)	(2,253,824)
52. Dividends to stockholders (Line 35)	(949,343)	(1,226,352)	(484,782)		(915,508)
53. Change in surplus as regards policyholders for the year (Line 38)	1,626,311	5,140,080	5,231,796	(30,089)	(367,247)
Gross Losses Paid (Page 9, Part 2, Cols. 1 & 2)					
54. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)					
55. Property lines (Lines 1, 2, 9, 12, 21 & 26)					
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)					
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	4,797,931	3,434,132	4,556,911	20,691,904	36,406,486
58. Nonproportional reinsurance lines (Lines 31, 32, & 33)					
59. Total (Line 35)	4,797,931	3,434,132	4,556,911	20,691,904	36,406,486
Net Losses Paid (Page 9, Part 2, Col. 4)					
60. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)					
61. Property lines (Lines 1, 2, 9, 12, 21 & 26)					
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)					
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	5,525,731	3,746,367	2,987,622	13,484,636	19,916,021
64. Nonproportional reinsurance lines (Lines 31, 32, & 33)					
65. Total (Line 35)	5,525,731	3,746,367	2,987,622	13,484,636	19,916,021
Operating Percentages (Page 4) (Item divided by Page 4, Line 1) x 100.0					
66. Premiums earned (Line 1)	100.0	100.0	100.0	100.0	100.0
67. Losses incurred (Line 2)	8.9	6.3	6.4	11.8	14.2
68. Loss expenses incurred (Line 3)	7.1	5.6	7.9	7.6	7.2
69. Other underwriting expenses incurred (Line 4)	75.6	77.7	77.6	76.6	78.5
70. Net underwriting gain (loss) (Line 8)	8.3	10.4	8.1	4.0	0.1
Other Percentages					
71. Other underwriting expenses to net premiums written (Page 4, Lines 4+5-15 divided by Page 8, Part 1B, Col. 6, Line 35 x 100.0)	73.8	76.0	76.4	78.1	78.1
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2+3 divided by Page 4, Line 1 x 100.0)	16.1	11.9	14.3	19.3	21.4
73. Net premiums written to policyholders' surplus (Page 8, Part 1B, Col. 6, Line 35 divided by Page 3, Line 37, Col. 1 x 100.0)	107.1	108.5	110.6	120.8	128.2
One Year Loss Development (\$000 omitted)					
74. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2 - Summary, Line 12, Col. 11)	(7,959)	(9,025)	(6,876)	(7,898)	(4,073)
75. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 74 above divided by Page 4, Line 21, Col. 1 x 100.0)	(8.4)	(10.1)	(8.2)	(9.4)	(4.8)
Two Year Loss Development (\$000 omitted)					
76. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2 - Summary, Line 12, Col. 12)	(13,097)	(11,952)	(11,801)	(6,442)	(6,820)
77. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior year end (Line 76 above divided by Page 4, Line 21, Col. 2 x 100.0)	(14.7)	(14.2)	(14.1)	(7.6)	(6.6)

Note: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3, Accounting Changes and Correction of Errors?
If no, please explain:

Yes () No ()

SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES

SCHEDULE P - PART 1 - SUMMARY

(\$000 Omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments								12 Number of Claims Reported Direct and Assumed
	1	2	3	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10	11	
	Direct and Assumed	Ceded	Net (Cols. 1-2)	4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded	Salvage and Subrogation Received	Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)	
1. Prior	X X X	X X X	X X X	..... (674)	..... (364)	..... (77)	..... (28)	.....	.....	374	..... (359)	X X X
2. 2009	117,615	21,949	95,666	16,441	3,162	2,110	559	3,089	.....	2,619	17,919	X X X
3. 2010	121,227	24,455	96,772	31,676	8,514	5,353	1,801	3,750	.....	6,910	30,464	X X X
4. 2011	128,676	27,100	101,576	21,472	6,049	4,329	1,221	3,441	.....	3,946	21,972	X X X
5. 2012	141,562	31,681	109,881	29,630	8,725	5,010	1,703	4,092	.....	2,821	28,304	X X X
6. 2013	148,034	33,655	114,379	20,277	7,128	3,976	1,144	4,996	.....	2,284	20,977	X X X
7. 2014	139,260	32,302	106,958	23,601	11,890	1,743	50	4,979	.....	5,802	18,383	X X X
8. 2015	133,046	30,435	102,611	21,864	8,690	3,114	1,702	5,107	.....	5,486	19,693	X X X
9. 2016	123,860	26,806	97,054	10,070	3,116	2,202	742	4,995	.....	2,686	13,409	X X X
10. 2017	120,880	20,792	100,088	10,076	2,536	2,431	686	4,830	.....	1,457	14,115	X X X
11. 2018	120,850	20,541	100,309	8,099	1,806	1,889	569	5,303	.....	1,528	12,916	X X X
12. Totals	X X X	X X X	X X X	..... 192,532	..... 61,252	..... 32,080	..... 10,149	..... 44,582	.....	..... 35,913	..... 197,793	X X X

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23	24	25
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21	22	Salvage and Subrogation Anticipated	Total Net Losses and Expenses Unpaid	Number of Claims Outstanding Direct and Assumed
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded	Direct and Assumed	Ceded			
1.	(778)	(506)	.....	.....	24	3	.....	.....	.....	.....	10	..... (251)	X X X
2.	(9)	(4)	.....	.....	.....	.....	.....	.....	.....	.....	5	..... (5)	X X X
3.	536	399	.....	.....	114	72	.....	.....	.....	.....	5	..... 179	X X X
4.	(170)	(71)	.....	.....	.....	.....	.....	.....	.....	.....	41	..... (99)	X X X
5.	(595)	(318)	.....	.....	35	9	.....	.....	.....	.....	62	..... (251)	X X X
6.	(2,185)	(1,337)	.....	.....	3	1	.....	.....	.....	.....	62	..... (846)	X X X
7.	(3,677)	(1,695)	.....	.....	3	1	.....	.....	.....	.....	103	..... (1,980)	X X X
8.	453	294	.....	.....	397	201	.....	.....	.....	.....	206	..... 355	X X X
9.	(1,090)	(391)	..... 1,376	..... 250	127	39	..... 275	..... 50	.....	.....	206	..... 740	X X X
10.	(1,720)	(504)	..... 4,129	..... 750	53	13	..... 826	..... 150	.....	.....	165	..... 2,879	X X X
11.	4,885	2,315	..... 8,258	..... 1,501	1,188	496	..... 1,652	..... 300	..... 549	.....	165	..... 11,920	X X X
12.	(4,350)	(1,818)	..... 13,763	..... 2,501	..... 1,944	..... 835	..... 2,753	..... 500	..... 549	.....	..... 1,030	..... 12,641	X X X

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34	Net Balance Sheet Reserves After Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense	Inter - Company Pooling Participation Percentage	35 Losses Unpaid	36 Loss Expenses Unpaid
1.	X X X	X X X	X X X	X X X	X X X	X X X	.....	.....	X X X	..... (272)	..... 21
2.	21,631	3,717	17,914	..... 18.4	..... 16.9	..... 18.7	.....	.....	.....	..... (5)	.....
3.	41,429	10,786	30,643	..... 34.2	..... 44.1	..... 31.7	.....	.....	.....	..... 137	..... 42
4.	29,072	7,199	21,873	..... 22.6	..... 26.6	..... 21.5	.....	.....	.....	..... (99)	.....
5.	38,172	10,119	28,053	..... 27.0	..... 31.9	..... 25.5	.....	.....	.....	..... (277)	..... 26
6.	27,067	6,936	20,131	..... 18.3	..... 20.6	..... 17.6	.....	.....	.....	..... (848)	..... 2
7.	26,649	10,246	16,403	..... 19.1	..... 31.7	..... 15.3	.....	.....	.....	..... (1,982)	..... 2
8.	30,935	10,887	20,048	..... 23.3	..... 35.8	..... 19.5	.....	.....	.....	..... 159	..... 196
9.	17,955	3,806	14,149	..... 14.5	..... 14.2	..... 14.6	.....	.....	.....	..... 427	..... 313
10.	20,625	3,631	16,994	..... 17.1	..... 17.5	..... 17.0	.....	.....	.....	..... 2,163	..... 716
11.	31,823	6,987	24,836	..... 26.3	..... 34.0	..... 24.8	.....	.....	.....	..... 9,327	..... 2,593
12.	X X X	X X X	X X X	X X X	X X X	X X X	.....	.....	X X X	..... 8,730	..... 3,911

Note: Parts 2 and 4 are gross of all discounting, including tabular discounting. Part 1 is gross of only nontabular discounting, which is reported in Columns 32 and 33 of Part 1. The tabular discount, if any, is reported in the Notes to Financial Statements which will reconcile Part 1 with Parts 2 and 4.

SCHEDULE P - PART 2 - SUMMARY

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										DEVELOPMENT	
	1 2009	2 2010	3 2011	4 2012	5 2013	6 2014	7 2015	8 2016	9 2017	10 2018	11 One Year	12 Two Year
1. Prior	10,976	5,441	2,800	3,155	3,355	2,592	1,493	1,361	1,429	1,241	(188)	(120)
2. 2009	20,101	19,446	16,911	15,584	15,713	15,300	15,296	15,276	14,822	14,825	3	(451)
3. 2010	X X X	24,415	29,940	26,767	26,123	26,489	28,041	27,818	27,136	26,893	(243)	(925)
4. 2011	X X X	X X X	23,820	21,598	19,623	18,745	18,478	18,607	18,458	18,432	(26)	(175)
5. 2012	X X X	X X X	X X X	24,579	23,456	21,768	19,935	20,297	24,059	23,961	(98)	3,664
6. 2013	X X X	X X X	X X X	X X X	20,169	19,488	17,876	17,177	15,081	15,135	54	(2,042)
7. 2014	X X X	X X X	X X X	X X X	X X X	22,285	16,756	13,436	11,556	11,424	(132)	(2,012)
8. 2015	X X X	X X X	X X X	X X X	X X X	X X X	22,600	19,625	15,984	14,941	(1,043)	(4,684)
9. 2016	X X X	X X X	X X X	X X X	X X X	X X X	X X X	15,506	11,554	9,154	(2,400)	(6,352)
10. 2017	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	16,050	12,164	(3,886)	X X X
11. 2018	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	18,984	X X X	X X X
12. Totals											(7,959)	(13,097)

SCHEDULE P - PART 3 - SUMMARY

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										11	12
	1 2009	2 2010	3 2011	4 2012	5 2013	6 2014	7 2015	8 2016	9 2017	10 2018	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
1. Prior	0 0 0	2,083	2,474	2,775	3,027	2,373	5,157	2,011	1,850	(359)	X X X	X X X
2. 2009	7,245	10,615	15,244	15,094	15,077	14,899	15,016	15,003	14,819	14,830	X X X	X X X
3. 2010	X X X	15,074	25,398	27,270	27,257	27,338	27,444	27,400	27,057	26,715	X X X	X X X
4. 2011	X X X	X X X	12,131	16,071	16,970	18,421	19,011	19,136	18,668	18,531	X X X	X X X
5. 2012	X X X	X X X	X X X	11,451	19,081	20,327	20,563	20,790	24,421	24,212	X X X	X X X
6. 2013	X X X	X X X	X X X	X X X	16,919	20,939	20,936	20,003	16,515	15,981	X X X	X X X
7. 2014	X X X	X X X	X X X	X X X	X X X	17,115	16,078	14,302	13,774	13,404	X X X	X X X
8. 2015	X X X	X X X	X X X	X X X	X X X	X X X	17,008	17,619	14,739	14,586	X X X	X X X
9. 2016	X X X	X X X	X X X	X X X	X X X	X X X	X X X	7,257	7,712	8,414	X X X	X X X
10. 2017	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	8,501	9,284	X X X	X X X
11. 2018	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	7,612	X X X	X X X

SCHEDULE P - PART 4 - SUMMARY

Years in Which Losses Were Incurred	BULK AND IBNR RESERVES ON NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)									
	1 2009	2 2010	3 2011	4 2012	5 2013	6 2014	7 2015	8 2016	9 2017	10 2018
1. Prior	3,607									
2. 2009	5,410	2,673	1,027							
3. 2010	X X X	5,346	3,081	1,033						
4. 2011	X X X	X X X	6,161	3,100	978					
5. 2012	X X X	X X X	X X X	6,197	2,935	1,228				
6. 2013	X X X	X X X	X X X	X X X	5,870	3,687	1,174			
7. 2014	X X X	X X X	X X X	X X X	X X X	7,374	3,521	1,217		
8. 2015	X X X	X X X	X X X	X X X	X X X	X X X	7,041	3,651	1,282	
9. 2016	X X X	X X X	X X X	X X X	X X X	X X X	X X X	7,303	3,845	1,351
10. 2017	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	7,690	4,055
11. 2018	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	8,109

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated By States And Territories

States , Etc.	1	Gross Premiums , Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4	5	6	7	8	9
		2	3						
	Active Status (a)	Direct Premiums Written	Direct Premiums Earned	Dividends Paid or Credited to Policyholders on Direct Business	Direct Losses Paid (Deducting Salvage)	Direct Losses Incurred	Direct Losses Unpaid	Finance and Service Charges Not Included in Premiums	Direct Premium Written for Federal Purchasing Groups (Included in Col. 2)
1. Alabama	AL L	1,183,393	1,259,692		(236,845)	(289,579)	236,265		
2. Alaska	AK L	432,901	449,145			(22,233)	54,171		
3. Arizona	AZ L	1,168,714	1,181,621		25,906	89,976	137,213		
4. Arkansas	AR L	543,368	504,596			(82,777)	67,616		
5. California	CA L	23,715,057	22,613,066		(519,250)	614,403	280,255		
6. Colorado	CO L	1,994,727	1,853,811		(570,642)	389,649	248,418		
7. Connecticut	CT L	1,106,959	1,085,429		(23,122)	(30,574)	77,234		
8. Delaware	DE L	1,203,499	1,175,357		(33,559)	(204,025)	152,939		
9. Dist. Columbia	DC L	2,787,694	2,547,146		(149,231)	74,629	341,324		
10. Florida	FL L	5,937,107	5,843,566		1,106,790	795,373	247,736		
11. Georgia	GA L	1,706,960	1,472,257		(302,187)	(306,256)	132,896		
12. Hawaii	HI L	188,127	191,933			(6,661)	25,151		
13. Idaho	ID L	274,911	275,930			3,667	20,259		
14. Illinois	IL L	2,946,644	2,992,055		1,183,643	1,261,695	400,935		
15. Indiana	IN L	1,029,287	1,015,217		25,000	63,613	109,016		
16. Iowa	IA L	517,488	506,623		148,000	482,976	483,870		
17. Kansas	KS L	1,028,094	1,144,480		(4,700)	(9,218)	56,498		
18. Kentucky	KY L	324,835	393,582			(3,516)	52,740		
19. Louisiana	LA L	2,271,013	2,358,016		(846,804)	91,489	(3,239,956)		
20. Maine	ME L	248,201	382,237			26,333	51,220		
21. Maryland	MD L	3,360,919	3,433,748		(99,558)	28,189	486,974		
22. Massachusetts	MA L	2,105,139	2,053,803		(5,400)	35,627	275,268		
23. Michigan	MI L	2,074,723	2,009,307			86,974	258,578		
24. Minnesota	MN L	1,089,204	900,250			24,729	87,415		
25. Mississippi	MS L	725,555	718,979			(2,857)	65,838		
26. Missouri	MO L	879,234	926,271			3,996	123,780		
27. Montana	MT L	228,594	187,147			(1,240)	14,544		
28. Nebraska	NE L	346,483	278,648			964	37,339		
29. Nevada	NV L	1,670,426	1,582,517		427,981	454,041	183,304		
30. New Hampshire	NH L	388,720	333,972			3,337	43,933		
31. New Jersey	NJ L	4,585,500	5,109,237		674,594	824,815	1,322,076		
32. New Mexico	NM L	564,847	483,495			5,135	64,788		
33. New York	NY L	9,108,204	8,600,877		(521,464)	1,326,933	1,070,621		
34. North Carolina	NC L	2,385,818	2,103,727		(3,517)	79,753	240,667		
35. North Dakota	ND L	257,436	174,158		10,969	16,900	27,256		
36. Ohio	OH L	1,793,955	1,811,510		341,826	254,410	213,502		
37. Oklahoma	OK L	1,409,242	1,365,912			48,350	151,471		
38. Oregon	OR L	1,142,567	1,003,922			5,048	134,559		
39. Pennsylvania	PA L	6,364,630	6,409,565		(10,094)	22,920	1,383,695		
40. Rhode Island	RI L	435,584	609,186			34,337	81,631		
41. South Carolina	SC L	1,494,285	1,414,069		(1,618)	(36,068)	147,975		
42. South Dakota	SD L	111,229	123,839			(4,491)	16,594		
43. Tennessee	TN L	1,143,297	1,168,859		(1,956)	(296)	113,966		
44. Texas	TX L	12,212,062	11,646,377	536,610	1,247,185	812,448	(286,276)		
45. Utah	UT L	326,081	350,242		95,000	2,664,796	2,715,549		
46. Vermont	VT L	93,042	99,530			(5,595)	13,341		
47. Virginia	VA L	2,430,152	2,465,384		2,005	(79,190)	290,333		
48. Washington	WA L	4,028,861	3,669,303			58,907	455,930		
49. West Virginia	WV L	995,578	811,752		(10,444)	26,096	109,780		
50. Wisconsin	WI L	474,789	395,554			(20,724)	53,004		
51. Wyoming	WY L	228,373	167,862		20,000	23,588	18,312		
52. American Samoa	AS N								
53. Guam	GU L	21,973	37,950			(3,822)	5,085		
54. Puerto Rico	PR L	380,977	382,280			2,529	29,052		
55. U.S. Virgin Islands	VI L	8,786	9,584			(333)	1,284		
56. Northern Mariana Islands	MP N								
57. Canada	CAN N								
58. Aggregate other alien	OT X X X								
59. Totals	X X X	115,475,244	112,084,575	536,610	1,968,508	9,629,170	9,886,968		
DETAILS OF WRITE-INS									
58001.	X X X								
58002.	X X X								
58003.	X X X								
58998. Summary of remaining write-ins for Line 58 from overflow page	X X X								
58999. Totals (Lines 58001 through 58003+58998) (Line 58 above)	X X X								

Explanation of basis of allocation of premiums by states, etc.

(a) Active Status Counts:

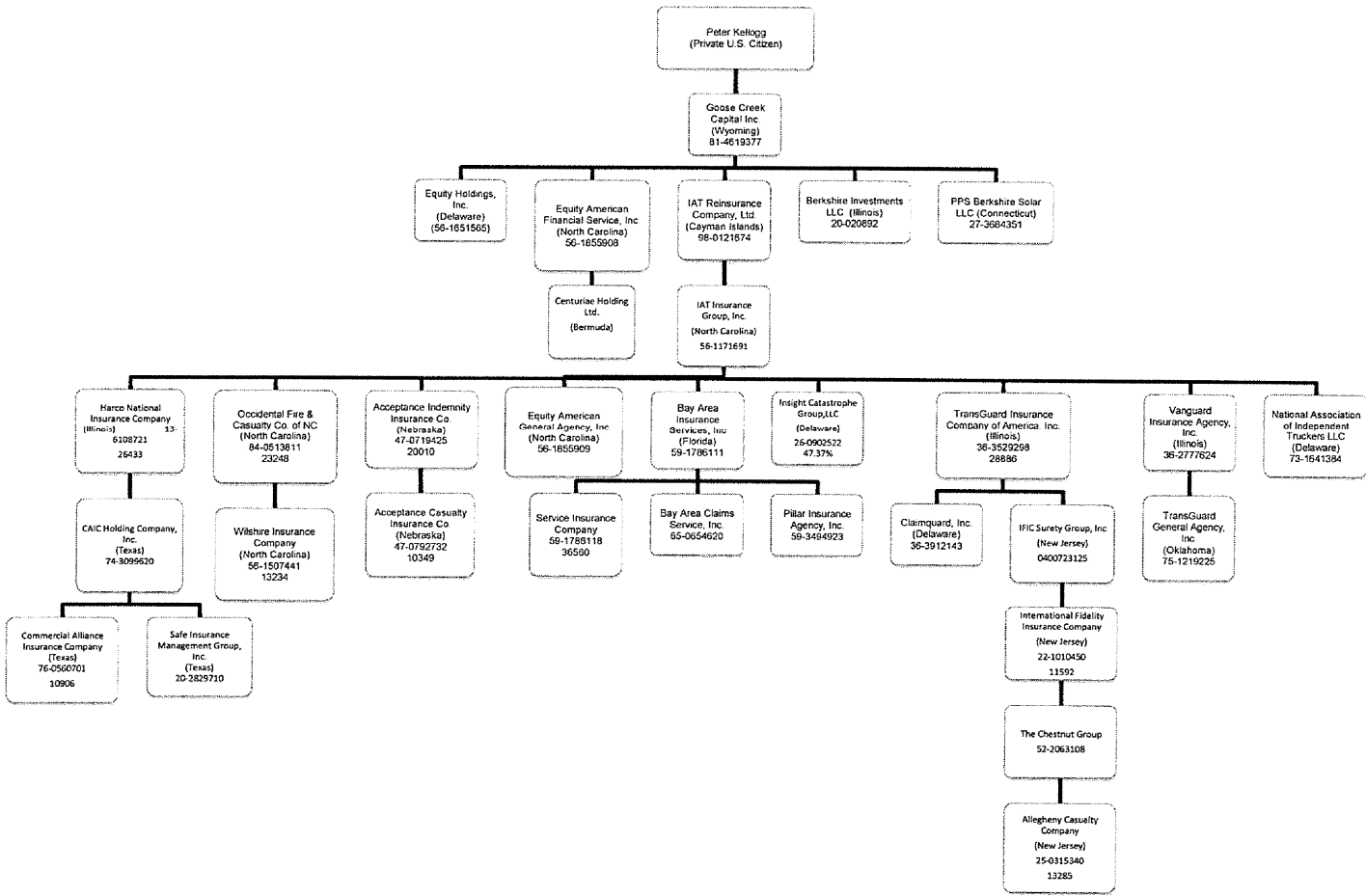
L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG	54
R - Registered - Non-domiciled RRGs	
E - Eligible - Reporting entities eligible or approved to write surplus lines in the state (other than their state of domicile - See DSLI)	
Q - Qualified - Qualified or accredited reinsurer	
D - Domestic Surplus Lines Insurer (DSLI) - Reporting entities authorized to write surplus lines in the state of domicile	
N - None of the above - Not allowed to write business in the state	3

(b) Column 4 should balance with Exhibit 1, Lines 6.4, 10.4 and 16.4, Cols. 8, 9 and 10, or with Schedule H, Part 1, Column 1, Line 1 indicate which;

PREMIUMS FOR JUDICIAL BONDS, INCLUDING BAIL BONDS, ARE ALLOCATED TO THE STATE IN WHICH THE COURT IS LOCATED AND LICENSE BONDS TO THE STATE IN WHICH THE OBLIGEE IS LOCATED BONDS COVERING CONSTRUCTIONS WORK ARE ALLOCATED TO THE STAT IN WHICH THE WORK IS BEING PERFORM. SUPPLY BONDS ARE ALLOCATED TO THE STATE IN WHICH THE CONTRACTOR IS LOCATED. PREMIUMS FOR ALL OTHER TYPES OF SURETY BONDS ARE ALLOCATED TO THE STATE IN WHICH THE RISK IS LOCATED. PREMIUM FOR FIDELITY BONDS ARE ALLOCATED TO THE STATE IN WHICH THE RISK IS LOCATED.

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE INTERNATIONAL FIDELITY INSURANCE COMPANY
SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART - POST ACQUISITION



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